



Gexpro Services  
9500 N. Royal Lane, Suite 130  
Irving, TX 75063

January 29, 2020

Dear Valued Customer,

At Gexpro Services, we are aware of concerns related to potential supply chain impact from the Coronavirus and want to provide you with this summary of the situation and our actions to date.

In an effort to contain the disease and prevent further spreading, the Chinese government currently recommends employees do not return to work in the short term and people avoid all common areas. Further, the Shanghai government officially extended the Spring Festival Holiday from January 30, 2020 until February 9, 2020. Public transportation across China is limited and there are several restrictions in some provinces preventing people from leaving. Given these factors, we anticipate production at our Chinese sub-supplier factories could be limited, communication may be slower than normal, and shipments may be delayed through February 9, 2020 and possibly longer, due to additional constraints at the port or backlog in shipping lanes.

In response to the situation, we have identified open PO Lines for shipments originating in China that we expect to arrive by end of March but have not yet shipped. Note that we do typically schedule import items to arrive 30-60 days before any customer required date, so that natural buffer is already built into the planning. We are calling each supplier to find out their schedule to resume production (and at what capacity), and whether any shipments are potentially at risk and to prioritize urgent quotations and critical shipments. We are evaluating alternate suppliers for the products on open orders, in the event that it becomes necessary to explore other sources. Furthermore, we have also reached out to our freight forwarder to understand whether there is any impact and to what extent on our shipping lanes. We will also attempt to find out whether there are constraints on government workers that would be required in China to process export shipments.

This is a dynamic situation and we will strive to keep you informed as more information becomes available. Your local Program Manager or Inside Sales contact will have the latest information on any parts potentially impacted.

Best regards,

A handwritten signature in black ink that reads "Megan L. Rios".

**Megan Rios**  
Director, Sourcing & Procurement

A handwritten signature in black ink that reads "Jeff Cline".

**Jeff Cline**  
Vice President, Quality