



DT: March 18th, 2020
TO: Cristek Customers
RE: COVID-19 California and Minden Operations

Dear Customer:

Late yesterday evening, Orange County, California issued a Health Officer's Order banning "all public and private gatherings of any number of people" for two weeks. Under the Order, public and private gatherings at places of "work, occurring outside a single household or living unit are prohibited." We have received a ruling that DPAS rated orders do not prohibit a local government agency from shutting down our operations. It will, however, inform our recovery plan at such time operations resume. If your organization can provide any objective evidence that we are an "essential service" provider, we may be able to appeal this decision now or in the future, as circumstances continue to evolve.

As of today, Cristek is not exempt from the Order to cease operations at our Anaheim, CA facility and so will shut down until further notice. We continue to request clarification and direction on how or if this Order applies to us and will provide additional updates on our operational status on Monday.

In addition, the Governor of Nevada has directed all non-essential businesses to close for 30 days. However, we have received sufficient clarification that our operations in Minden, NV are not subject to closure at this time. Finally, the Governor of Massachusetts has noted that no Shelter in Place order is pending, so our Lowell, MA facility also remains open. While these facilities continue to operate, we are experiencing an average absenteeism rate of 20% at both sites. The Executive Team, site GMs and leadership are working tirelessly to continue to support all production efforts to reduce, minimize or eliminate delivery impacts as much as possible.

The leadership team along with key administrative functions will remain working and available from home to support the business despite any specific manufacturing site shut down.

Cristek holds the health and safety of our employees as our first and foremost responsibility. Should we receive formal documentation of our status as an essential service or clarity from our local authority that we are allowed to operate, we will still need to prove to both ourselves, our employees and our local governments that we are able to operate safely.

Rest assured that we understand the obligations to keep our customers informed, operate within the Defense Priorities and Allocations System (DPAS) and overall, maintain a Warfighter focused customer service posture. Thank you for your trust in Cristek and, most importantly, we wish you continued good health during this uncertain time.

Sincerely,

A handwritten signature in blue ink that reads "Cristi Cristich".

Cristi Cristich
President/CEO

A handwritten signature in blue ink that reads "Brandon Roemer".

Brandon Roemer
Director of Sales and Marketing