



SumiRiko Tennessee, Inc.

April 2, 2020

Fellow Associates,

As you know, the continued COVID-19 situation is impacting both our personal lives and our Company business. We wanted to update you on what the Company situation is as of Thursday, April 2nd.

Our Customers continue to be in a shutdown mode with varying target dates for starting back production. These include Honda remaining shutdown until Monday, April 13th, Toyota and Subaru remaining down until Monday, April 20th, and Nissan remaining shutdown until Monday, April 27th. These dates are only targets and have been changing frequently due to changes in the COVID-19 situation and reduced market demand. We do expect some of these dates will be extended. Based on the above dates SRK Tennessee sales will be at least 30% below our planned level in March, and April sales are projected to be at least 60% below our planned level.

We will be forced to take actions now and over the next few months to adjust for this unprecedented loss of sales. These will include time off with no pay, reduced benefits / programs, reduced spending, and reduction in salaries. These are extremely unpleasant actions, but necessary to secure our financial health and future jobs. We will do our absolute best to minimize these types of actions and share the pain equally among all members as much as possible. Unfortunately, these will have to take place quickly with not as much notice as we would like to give. When these are decided and take place you will be communicated with as quickly as possible. Unlike the financial crisis that the world and country went through almost ten years ago, the COVID-19 is also a public health issue that we must consider in all our decisions. The safety and health of all of us is first priority. We sincerely ask for your understanding and cooperation in this difficult and challenging time. We decided we will currently continue to provide all medical insurance as normal for all associates, even if they experience a layoff situation with no pay. This is an effort to eliminate one less thing associates have to worry or deal with, in this stressful time.

We also encourage all associates that are affected to take advantage of the recent increased unemployment benefits they are entitled to under the Families First Act passed by Congress and signed by President Trump. In most cases this will enable the associate to receive almost 100% of their normal pay in unemployment benefits, instead of the usual lower unemployment benefits. You should also make an effort to identify any additional help you may be eligible for or need. SRK Tennessee will do our best to communicate these forms of information and available help to you as much as possible. We want to also encourage you to reach out to Human Resources for any help you might need. We will do our best to assist as a Company if we can, and if we can't we will make an effort to help as a good neighbor and friend.

Communications are also extremely challenging during this time due to the restrictions for us to gather in groups. The daily changing status due to Government, Customers and our Business needs also make the information not as clear as we would like. This sometimes leads to everyone's confusion and frustrations, so we ask please understand we are trying to give you the information as we know it at that given time.

We are confident in the end our Country and Company will survive. We all will learn from this and get stronger. Our thoughts and prayers should be with the families of the ones who have lost their lives and with the sick individuals. We should also remember the ones who are helping fight this virus such as health care givers, first responders, and others who are doing their best to keep us in essentials such as food and utilities. We want to ask you first and foremost take care of yourself and your families health and safety. Secondly, we want to ask you to help those who you can and those who need it the most. While there is much bad in the news, we are encouraged to see the fantastic acts of kindness and humanity that are occurring. The real character of a person is revealed during bad times.

Thoughts and stay safe,

Junichi Yamada
President & COO

Webster Booze
Executive VP Midway

Scott Crews
Executive VP Tazewell

Mike Kelley
Sr. VP Admin.