

5.20.20

Good afternoon,

With an abundance of caution the world is slowly starting to open back up. As I am sure you are now aware Governor Baker announced a four phased approach to reopening Massachusetts earlier this week. This is a clear and encouraging signal that our collective battle against the novel corona virus is going in the right direction. We should all reflect on this time with sincere gratitude to everyone around us who has helped to "stop the spread." It has been a long and difficult trial of our determination and patience.

Over the last several weeks, many of our colleagues at Haartz have been focused on developing safe protocols for working at Haartz. This has included virtually every aspect of our business, starting with a small group in Inspection in late March, eventually working through each and every department of the Company. This work helped to establish basic protocols for personal hygiene, disinfection, and physical distancing. As you may know, we now scan the temperature of everyone who comes into the facilities at Hayward Road and Craig Road.

Two weeks ago, a task force of 14 people was assembled to tackle the detailed questions that each of us might pose in returning to work. Will we allow visitors? How can we assure safe protocols in break rooms and conference rooms? How do we manage PPE? What do we do with shared facilities and equipment? Will some people continue to work remotely? This taskforce has done a fantastic job, and has developed a long list of action items which are currently being implemented. They have worked hard and shown tremendous dedication and we thank them for their efforts.

As you know, the automotive industry has been hit hard by this pandemic. While there has been a modest increase in demand as vehicle assembly plants have begun to resume operations, it is still unclear as to what the future holds and whether or not the customer demand will continue to support our existing staffing structure for the long term. The management team has worked tirelessly to develop a plan to retain employees, providing pay and benefits during a time when many businesses moved directly to conducting immediate furloughs and layoffs. We kept our focus and stayed the course researching every possible option to try to keep our business and workforce whole through this difficult time.

The Paycheck Protection Plan loan was the best option for Haartz and we are lucky to be one of the companies that received funding, providing us the opportunity to retain employees for an additional eight weeks giving us time to learn more about what the future may bring. With that, we are pleased to let you know that all of the pay practices that have been in place will continue to apply for week ending 5/30 and 6/6 as Haartz continues to have the funding of the Paycheck Protection Plan loan available. As previously stated, these pay practices were designed to provide consistent pay for all employees with added incentives for the direct labor workforce who have who have not been able to work remotely and for those who have had to use their sick and vacation time to supplement their pay.

- Hourly employees who are scheduled for 4-10's and 5-9's will continue to be paid their scheduled hours including overtime and shift differential, when applicable. This includes holiday pay for Memorial Day.
- Hourly employees who are scheduled for 5-10's, 5-11's and 5-12's will continue to be paid based on a 5-10 schedule including overtime and shift differential, when applicable. (40 regular hours and 10 overtime hours = 55 hours total). This includes holiday pay for Memorial Day.

- We will continue to pay \$100 per day to hourly employees who are direct labor and typically use a time clock when they work their scheduled shift and a minimum of 6 hours in appreciation for them coming in to the facility to work, helping us continue to develop our safety protocols and meet the demands of our customers.
- Salaried employees and employees who typically use a time card and are not direct labor will continue to be paid based on their standard work week.
- Employees who are out on FMLA or E-FMLA will be paid according to those policies currently in place.

Business conditions will continue to be reviewed on an ongoing basis over the next two weeks and an update will be provided at that time for future weeks. Your patience and support are appreciated and we hope that you and your loved ones are safe and healthy.

Regards,

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