

23 March 2020

Subject: COVID-19 Status

Dear Valued Customer,

Palomar Products, Inc. is located in Rancho Santa Margarita, CA in the County of Orange, CA where an emerging outbreak of COVID-19 is ongoing. This has caused several changes in our business, however as of today, we continue to largely operate without impact.

Per public health guidelines, Palomar Products, Inc. has suspended all business travel. We are able to host meetings through virtual conferencing as way to support our customers. All business visits to Palomar have been postponed indefinitely. The only exception to this is customer source inspectors. To gain access to the inspection areas only, customer source inspectors will be required to go through the same protocols as our employees. Should you have scheduled travel to our site, please contact your host or myself directly.

Our office and support staff have transitioned to a work from home environment as of March 16, 2020.

Our factory remains operational, and we have increased cleaning and preventative measures to ensure continuity of production, including distancing of workstations. Our workforce remains at normal levels of staffing without any exceptional volume of sickness or those absent to care for others. While the state level government has closed schools and restaurants, we remain authorized to operate as a company in the Defense Industrial Base (DIB).

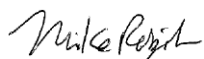
Our supply chain is largely domestic in nature, however, some are sourced internationally. Initial delays from suppliers in Asia have been resolved.

We will notify our customers immediately of any confirmed shortages or necessary changes in our sources of supply. Similarly, we will immediately notify customers if our factory staffing, applicable regulatory requirements or public health responsibilities change such that it potentially affects customer deliveries.

Thank you for your continued cooperation and support in these very challenging times and the actions that are necessary and within our control to support our on-going operations.

If anyone has any questions, do not hesitate to reach out to your Palomar Customer Service, Sales or Program Management contact or also myself in case of emergency.

Best Regards,



Mike Rabjohn
President