

**Scott Engineering, Inc.**  
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**December 14, 2020**

Dear Customers, Suppliers, and Interested Parties:

Re: Update on Temporary Plant Closure and Recovery

We are relieved to report that the infection positivity rate capped at 51% of our workforce in our production and administrative crew and remains unchanged since Thursday, December 10, 2020. One member continues to be hospitalized in critical condition, and we are praying that he returns to us soon; please continue to keep us in your thoughts and prayers as we move forward in recovery.

Our returning workforce post-virus increases daily in the departments. Overall, we are at a manufacturing rate of approximately 81%, which is a 14% improvement over last week's numbers. Our paint department remains at a 60% rate, and assembly improved from 44% to 73%. Our incredibly loyal staff are covering additional areas and other disciplines to help support our recovery efforts.

Since our closure and absent staff in warehouse and staging, we have a considerable inventory that needs proper allocation to the correct projects with the highest priority. Our receiving department (which covers the warehouse and staging jobs) is now at 50% with the hope of full staffing in the coming weeks; other departments continue to support the receiving docks. Our fleet department expects to be at 50% by the end of the week, which will be a tremendous feat.

The management team continues to work in production as they can and are looking for other long- and short-term solutions to remedy the circumstances. We are cautiously optimistic that we may be back to our full potential early to mid-January if there is no further outbreak in our remaining workers. We continue to examine circumstances day-to-day to serve our customers best, and we humbly thank our loyal customers for their support and help in sorting priorities to cover the most emergent demands first as we work to catch up on our sizable backlog of past due and future projects.

We much appreciate your compassion, and we know we will get through this.

Thank you, we will update as necessary.

For any questions or concerns, please email Kathy Meyer at [Customerexperience@scott-eng.com](mailto:Customerexperience@scott-eng.com)

Sincerely,

A handwritten signature in blue ink, appearing to read "Debi Davis", with a stylized flourish at the end.

Debi Davis  
Chairman and CEO