



December 16, 2020

Dear Valued Customer,

Twenty-twenty continues to present unprecedented challenges: Transportation demand plummeted in the second quarter, then spiked in the third and fourth quarters.

- The COVID-19 virus has created new demands, triggering more competition among transported goods, which has not been favorable to many products in our portfolio.
- We are also seeing a continued shortage in available drivers, partly due to COVID-19 keeping them home.

Syndel will continue to process packaged goods orders for shipment the day after they are received, our standard order fulfillment lead-time. Given the external transportation environment, however, we cannot guarantee delivery dates as we cannot easily secure transportation:

- Since lead times for transportation are longer than usual, please build extra time into planning and/or hold additional safety stock if possible.
- Be aware that scheduled deliveries may be delayed, due to transportation events beyond our control.
- It is likely that short notice orders and order date changes will be extremely difficult to entertain

Due to this demand increase, coupled with nationwide driver shortages, Syndel is incurring additional order fulfillment transportation costs. On a case- by-case basis, we may have to adjust our charges to reflect the new freight rates, which are no longer guaranteed.

Syndel's supply chain group will continue to schedule shipment as early as possible and work closely with our carriers to deliver on time. We will do everything possible to contain these surging transportation costs.

We sincerely appreciate your support during this time. Please contact your Syndel Commercial Representative to answer any questions you may have.

Genuinely,

Jacob Beaty
Operations Manager
Syndel

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