



4/29/2020

**Re: Notice of Force Majeure Event**

Dear Valued Customer,

We are writing to inform you of a force majeure situation concerning the parts (the “Parts”) that BorgWarner companies supply to you due to the COVID-19 sanitary emergency that the Mexican Federal Government has imposed on our business unit, BorgWarner PDS, supplier of the Delco Remy brand.

As of the date of this letter, COVID-19 has continued to spread globally, resulting in more stringent measures to avoid further spread, including without limitation, many country wide and other widespread quarantine measures, border closures and travel restrictions, in Europe, North America, and Mexico.

Due to these circumstances beyond BorgWarner’s control, and in an effort to comply with measures required by the local governments; we have taken further steps (as recommended by our legal team) that have had an impact on our supply of Parts and processing of Warranties on those Parts. Production at BorgWarner Componentes PDS in San Luis Potosi, S.L.P. Mexico has been forced to shut down. This shut down also affects processing of warranties and warranty payments on these parts. We will continue to receive in Parts for warranties but are unable to process them at this time. We will continue to communicate our ongoing status as the situation changes, our hope is to resume processing of claims June 1, 2020.

We are currently unable to determine the potential duration or full impact of this continuing force majeure event. We are actively monitoring this situation and taking steps to mitigate any impact it may have on your operations and BorgWarner’s operations and our ability to supply the Parts and process warranties on those Parts. We will keep you informed as we receive more detailed information. Please also keep us fully informed of any information and progress you become aware of.

These are unprecedented events and we regret any inconvenience that this may cause. Please do not hesitate to contact your local BorgWarner representative in case of any further questions.

Very truly yours,

Brian Koehlinger  
Sales Manager