



Unit 1 Bentley Mill Way, Walsall, West Midlands, WS2 0LE, UK  
Tel: 01922 650039 Fax: 01922 626179

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To All Brennan UK and EU Customers

**Subject: Brexit Policy Statement**

Brennan Industries has embraced the likely challenges that the decision by the UK to leave the European Union, or "Brexit" as it is known will bring. As a great level of uncertainty surrounding the scheduled March 29, 2019 Brexit departure still remains, Brennan's plans have been intended to allow for a great deal of flexibility in the interim period.

Brennan has monitored government, media, customer, supply chain and staff information related to Brexit which has enabled us to put into effect a number of strategies which will minimize the risk to Brennan and our valued customers going forward.

Thus far, our Brexit strategy has included contingency planning in the following areas:

- Mapping and auditing our supply chains to minimize disruption.
- Developing alternative shipping arrangements and plans.
- Ensure that our staff's infrastructure can accommodate increased customs activities.
- The auditing of our international contracts.
- Investigating options regarding Authorized Economic Operator status (and/or other similar programs that have yet to be announced).
- The review of Brexit's financial impact regarding increased VAT funds requirements.
- Increase our already industry-leading inventory levels of fitting and adapter products.

We continue our preparedness for all Brexit scenarios and assure you that Brennan is fully committed to continuing to grow our business within the UK, EU and in all our other export markets. We will minimize and mitigate risks to your business and ours, and we remain hopeful that all parties will reach an expeditious agreement.

Thank you for your support as well as for your Brexit-related patience, cooperation and understanding.

Best Regards,

Bill Jarrell  
Executive Vice President