

September 4, 2020

NAL Team Members:

Hello again and thank you for taking a moment to read this brief update concerning NAL and COVID-19. As we head into another holiday weekend, please continue to follow the basic COVID prevention guidelines. We are hopeful that a spike in cases as seen after July 4th will not reoccur after this holiday. Please remember to limit social gatherings, wear a mask, social distance where possible, and wash your hands often. Please do your part to keep yourself and your loved ones safe this holiday weekend by continuing to observe safe COVID practices.

Regarding our cloth mask study, we have completed the initial trial and narrowed the contenders down to two options. We will trial these two cloth masks next week using a larger test group of team members at each of our four primary production facilities. We look forward to sharing our findings after the test is concluded. I understand that cloth masks will work for some, but may not be the best answer for everyone. Our goal is to find the most effective mask options that also provide for optimal fit and comfort.

I have received a few questions about Payroll Tax Deferment. NAL has decided not to participate in this program for a variety of reasons. Primarily, NAL Team Members would only benefit throughout 2020 and then be subject to double taxation next year. Any payroll tax not collected this year, would need to be collected during the first four months of next year. This is a modest short-term benefit to our team members and, in full disclosure, we don't have a system to effectively manage it. The last thing we want to do is to be responsible for an error in your taxes. So unfortunately, NAL is simply not in a position to offer this tax deferral to our Team Members.

In closing, I wish you all a safe and enjoyable Labor Day weekend. Please remember to keep your interaction with others limited and follow the COVID-19 protocols. We look forward to your safe return next week.

Best regards,

Kirk Gadberry
President/COO