



March 20, 2020

**MESSAGE FROM PRUDENTIAL OVERALL SUPPLY CEO, JOHN CLARK**

**INFORMATION FOR ALL PRUDENTIAL EMPLOYEES – COVID-19**

Hello Prudential,

Please read below for Prudential's strategy next week as we all deal with COVID-19 and its massive effect on people's health and the global economy.

Prudential's financial status has been and continues to be strong. Prudential will continue to move forward as the economy falls into a recession. As I have previously mentioned, Prudential was founded during the depths of the Great Depression during the 1930s. We have survived many economic downturns and we will persevere through this one. The current event is like nothing America has ever faced in its history: businesses are closing at such a rapid pace; people are scared; and no one knows how long this will last. I continue to hope that life will return to some degree of normalcy by late summer.

The financial impact to Prudential will be significant. Almost 30% of our business comes from restaurants and related businesses. As our other customers that use uniforms close indefinitely, that will compound the economic impact. Fortunately, Prudential's Cleanroom division is experiencing an increase in business as those uniforms are being cycled more often to reduce the threat of the virus. Prudential's internal forecasts predict a minimum 30% reduction in revenue over the next 8 weeks.

My message to everyone reading this email is that we will survive such a dramatic event. I'm writing this because I believe it's important for you to know how we believe this will impact the company and impact you.

Prudential's intention over the next few weeks is to retain our employees through a reduction in hours worked instead of a layoff. As you are reading or watching the news, companies are already starting to lay off employees. I'm sure everyone has a family member or friend in a more dire situation. Prudential will do its best to avoid layoffs through a reduction in hours.

California announced a Stay at Home Order this week. Many cities outside of California have done something similar. Other states or cities might enact a similar Order in the following weeks. Please remember that Prudential's industry is considered an 'essential' industry. That means our services are required to keep other 'essential' businesses active. Food manufacturing, medical manufacturing, utilities and other essential companies need our services. I have included as an attachment the document every employee should retain while driving to/from work should they be asked by law enforcement to show the reason they are not at home. Please put a copy in each driver's truck.

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In order to keep Prudential active, here are the actions Prudential is taking going into next week to reduce the significant financial impact:

- Prudential is looking to shift some workforce from our industrial locations to our cleanroom plants. Where possible, we intend to shift employees from locations with reduced labor needs to locations showing increased labor needs.
- Following governmental guidance, our corporate office employees that can work from home have been. Those employees that can only do their work from the office are essential to keep the company functioning have been asked to continue to work at the office.
- Our Production workforce will be scheduled to work reduced hours. Each location is different and therefore the hours will be scheduled per location.
- Our drivers will consolidate days just like a holiday schedule. Days not worked can be supplemented with accrued vacation days.

Some of the actions Prudential is taking to help everyone:

- In order to help drivers and production employees supplement their income during the period of fewer hours, Prudential will suspend the policy prohibiting cashing out vacation and allow employees with reduced work schedules to redeem their vacation days in increments of 5 days per payroll period.
- Prudential will continue to provide all current benefits for employees, even if they work less than required 35 hours a week.
- The government is trying to financially support employees during this time of crisis. Prudential is actively looking into state or federal programs that will help support you in the near term. If these programs are available we will inform you and help you fill out the paperwork needed to apply.

Please protect your health and do everything possible to reduce your exposure to COVID-19. That means wash your hands frequently, maintain a 6 foot 'social distancing' from others and avoid groups. Follow the actions our governmental agencies recommend.

Let me reiterate again, with your support, I know Prudential will continue into the future.

Thank you for all of your efforts on behalf of the Company,

**John Clark**  
CEO  
Prudential Overall Supply