



Re: CA Supplemental Paid Sick Leave 2022 (CA SPSL 2022)

Dear Valued Loomis Client,

Loomis continues to respond and adapt to the COVID-19 pandemic as we strive to provide the best service in the industry despite the ongoing COVID-19 pandemic and its effects. With our adaptive approach, we have provided our front-line employees unprecedented wage increases, and we have increased our employee's paid time away from work beginning January 2022. While these changes have positioned Loomis in maintaining a healthier and stronger workforce.

As you are aware, there are many increasing challenges with ongoing labor shortages, supply chain issues, along with strong government legislation and mandates. During the last two years, Loomis absorbed the cost of the 2020 CA SPSL and 2021 CA SPSL. In response to the recent passing of another CA SPSL act of 2022 which was signed by the Governor on February 9th, we will be temporarily assessing a surcharge to all California clients to partially offset this unplanned government mandated employer requirement. Although this new leave law applies retroactively to January 1, 2022, this 5% surcharge will be assessed to your invoices and billing for April 2022 through September 2022.

Thank you in advance for understanding. Should you have any questions, please contact your local Branch Account Manager.

Best Regards,

A handwritten signature in blue ink, appearing to read "Sean M. Calcaterra", is written over a horizontal line.

Sean M. Calcaterra
Regional Vice President - West
Loomis Armored US, LLC