

21 December 2020

Dear Valued AJW Partner,

Brexit – the UK's Withdrawal from EU

The United Kingdom exited the EU on 31 January 2020 and entered a transitional period that will end on 31 December 2020. As of the date of this letter, a deal between the UK and the EU has not been reached, leaving uncertainty for many businesses, including the Aviation industry. The situation remains uncertain and is subject to change without notice.

The AJW Group has made significant efforts to prepare for the highest operational risk, should the UK leave the EU without a deal. Within this we recognised applicability of UK certification and logistics as areas of primary concern to both our suppliers and customers.

Work has been completed by AJW with all key suppliers and repair vendors, concluding that AJW has taken coordinated measures, actions and procedures to successfully mitigate any current foreseen changes, such as ensuring our supplier and repair shop base will comply with the new regulations and will, or will have, the required certifications to continue providing services to the AJW Group from 1 January 2021. In addition, during the recognition period from 1 January 2021 put in place by the UK CAA for 2 years, any EASA Form-1 Airworthiness Release Certificates will be recognised and such parts will be allowed to be installed on a UK registered aircraft, decreasing any disruptions in the UK generally. All AJW's approved vendor list based in the UK have applied for the Third Country Operator (TCO) approval from EASA and therefore they can not only issue a UK CAA Form-1 dual release (if applicable), but also issue an EASA Form-1 to support any EU registered aircraft.

We have also created the workflow in Annex A to demonstrate the new process AJW is incorporating to ensure certification requirements are kept in good order.

Note that AJW Group do not operate a workshop operation in the UK, and certification from AJW Technique Inc in Canada is not affected regardless of the deadline on 31 December 2020.

Logistics delays are expected in the initial few weeks of January 2021 for all road freight. AJW are in close contact with third-party logistics providers and will work closely with them to ensure that we are able to meet time-critical demands. In addition, we are looking at other steps and actions which can be taken to ensure any disruption to logistics and deliveries are kept to a minimum. We will keep composition and stock levels for inventory held in strategic locations in Europe under review. We also continue to expedite critical repairs and purchases to maintain availability, and work in cooperation with industry partners who may be able to assist us from their inventory to reduce lead times and delays.

We believe that the actions we have taken, or plan to take, are proportional to the risks at the current time. We retain flexibility to take additional actions in response to any other official notifications that we receive and look forward to supporting all our customers and suppliers through this period of uncertainty.

Should there be any changes which affect AJW Group's operations, these will be communicated accordingly.

Yours faithfully,



Christopher Whiteside
Chairman and CEO

Annex A

