

From: Danny Nunn Sent: 08 June 2016 11:27

Subject: Carpenter Block / TDI Availability

Morning John,

I've been asked to send out the letter below. As it indicated we are likely to see severe shortages and this is already affecting daily production. In a bid to try and be fair to all customers, we are trying to plan production and spread availability through the month. Nonetheless, this will mean delays and shortages. Potentially we may only be able to supply 50% of what might be required on the day. I'm at Glossop for the next few days if you need to call me!

Due to tightness of supply within the global market for Isocyanates over recent months, we have now been informed of shortages in availability of toluene di-isocyanate (TDI) which is expected to be on-going for several months. To give examples of the challenges we are facing, one major supplier has delayed bringing their new flagship plant on line, whilst other suppliers have planned maintenance this summer or have ceased production completely. We have been faced with paying large price increases on TDI over the last few months but unfortunately this in itself does not guarantee supply.

Pleased be assured we are taking all action possible within our business to secure supplies of this key chemical, but against this background we expect to see block production severally restricted & stock holding reduce on many high running grades.

Carpenter Ltd continue in our wish to offer excellent service & support to our customers supplying quality polyurethane foam products. In order to achieve this we will need to introduce a major change to the timing we receive your orders. All block orders must be received by our customer care team at Glossop by 12 noon on the day prior to delivery. This will allow time for us to review your orders & confirm availability. Orders received after 12 noon will be reviewed & processed for delivered 2nd day following.

Your external sales contact will be in communication with you soonest & available to discuss all related issues detailed above.

Yours Sincerely

Regards Danny

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