



October 31, 2019

Dear Valued Partner,

At the beginning of April 2018, we had the opportunity to welcome you into the Ferrara family. Thank you for your support in the past year and a half! 2019 has been a time of integration and transformation, and we thank you for your patience and willingness to learn as you have embraced both a new organization and new ways of working together. To that end, we have some key integration deliverables in the coming months as we convert from the Legacy Nestle systems to the Ferrara systems, and we ask that you share this information with your assigned point people.

Key activities are outlined below. In addition, we want to call you attention to the following, tactical must-do's:

- If you are not an established Ferrara vendor, you will receive new Ferrara vendor numbers for 2020 purchase orders which will be issued by Ferrara at the end of November.
- All 2019 purchase orders will continue to be issued by Nestle for deliveries through December 21, 2019.
- Ferrara will begin issuing 2020 purchase orders at the beginning of December. These new Ferrara purchase orders will utilize the new Ferrara item numbers that are attached to this communication.
- There will be no migration of indirect or marketing purchase orders from the Nestle SAP system to Ferrara at the time of conversion on December 31, 2019.
- Blanket Purchase Orders can be created in the Ferrara system for Indirect Services and Marketing Services however the purchase order can only have one delivery and one invoice per line item. Multiple line items will be created on the blanket PO if it is for a monthly service (one line for each month).
- As part of the conversion, long lead time purchase items with 2020 delivery dates issued by Nestle in 2019 will be cancelled and a corresponding Ferrara purchase order will be created at the end of 2019. When material arrives at the plant in 2020, it must reference the Ferrara PO. The invoice must be sent to Ferrara with the Ferrara PO number reference.
- Purchase orders issued by Nestle and received in 2019 will be paid through the regular Nestle process and invoices for these purchase orders should be sent to Nestle Accounts Payable.
- Purchase orders for 2020 deliveries issued by Ferrara will be paid by Ferrara Accounts Payable and these invoices should be submitted to accountspayable@ferrarausa.com.
- There is a blackout period between December 17 and January 2 when no deliveries are permitted at Itasca or Ray Emerick.
- You will continue to work with Filip Ivanovic, Zoran Goljic and Adam Stiwald at the Itasca plant for placing indirect plant based purchase orders. The Ferrara Procurement team will continue to work with you on contract sourcing and pricing. The Ferrara Marketing team will continue to work with you on all marketing purchase orders.



Finally, we look forward to continuing to welcome you into the Ferrara Family. Thank you for your commitment to our business, and to helping us share delight in every bite with consumers.

Sincerely,

A handwritten signature in black ink, appearing to be "AHMET HEPDOGAN", written in a cursive style.

Ahmet Hepdogan
Vice President of Procurement
Ferrara