March 12, 2020

To: Suzy Turnquist
From: Bill Matthaei
Subj: Questions re. COVID-19

1. Client Relationships:
   
   **Customers:** Customers are concerned about our ability to continue to supply them and what we’re doing to combat the spread of COVID-19. ND is fortunate to have only one confirmed case of COVID-19 to date and our production abilities have not been interrupted – yet. We share with them our policies and efforts regarding sanitation and containment. We remain in regular close contact to inform them of any changes in circumstances.

   **Suppliers:** And the reverse is true regarding our suppliers. We’re staying in contact with them regarding any interruptions in their business. So far, so good domestically – see below.

   **Visitors and Truck Drivers:** As a food business, entry to our facilities is always limited and we’ve increased our restrictions due to COVID-19. All visitors are being screened and required to sign a COVID-19 Self-Assessment before entering our buildings (copy attached).

   **Travel, Meetings, and Trade Shows:** These are normally a big part of our business and our lives. Now, we’re limiting all of them to what is absolutely necessary. We’ve recommended meetings be held electronically whenever possible.

   **Notices:** Notices are being sent and/or posted to Customers, Suppliers, and Visitors regarding our policies and actions (a sample is attached).

2. Importing/Exporting:

   **Importing:** We have a new large piece of business that relies on a key ingredient from China. Receiving that ingredient has been problematic. Although, the situation seems to be improving a little this week - possibly a hopeful sign vv. the disease outbreak in China.
Exporting: We ship quite a bit of product to Japan and other Asian countries. We’ve seen some increase in demand as they stock-pile inventories due to COVID-19 fears.
Containers: Containers are in very short supply on both ends. COVID-19 in China has decimated labor to the point shipments coming from there have slowed significantly. Because of that, there is also a shortage of containers on the US side needed for products going to Asia. This is causing us and our Asian customers some angst – nothing disastrous yet.

3. Employees:
For the most part, it remains business as usual – today. We are updating our Pandemic Policy as we speak to specifically address COVID-19. It describes the specific actions to be taken depending on the severity and spread of the disease. As a food business where Food Safety is always top of mind, good hygiene practices are standard procedure. And we’ve actually upped those vv. sanitation practices, building access limits, etc. Employees are being asked to stay home if they have any symptoms. This is an on-going policy that is being re-emphasized. Employees who travel outside the country will be required to self-quarantine for two weeks and/or receive a doctors permission before returning to work; the same with anyone who comes in contact with an infected person.

4. Employee Pay:
Employee pay policy as a result of COVID-19 has fortunately not been an issue – yet.
It’s an item still under discussion. We can’t have a policy that incentivizes people to come to work when they are sick or have symptoms. Our current paid-sick-leave policy does a good job of preventing this under normal conditions. We’re considering expanding the policy specifically for people infected with COVID-19, but the details are yet to be determined. And,
obviously, we want to implement a policy that will retain our labor force for when this thing winds down and maintain morale.

5. Our biggest precautions are all directed toward limiting personal contact, personnel access to our facilities, and personal and property sanitation.

Suzy,
This note should not be considered an official company document. For that, I'll refer you to our actual written policies. I'm just providing this to you/PFB in answer to the questions you've asked in preparation for our call tomorrow. I'm looking forward to our discussion.

Best Regards,
Bill
March 12, 2020

Re: Coronavirus COVID-19 Statement

To Whom It May Concern;

Dakota Specialty Enterprises is monitoring the Coronavirus COVID-19 situation unfolding worldwide daily. Currently there will be no interruption to any product shipments. Should that change, we will make it our priority to reach out to our customers. The majority of our ingredients are of US and Canadian origin which are not affected at this time.

We have updated our pandemic policy. We have implemented the following preventative measures based on our current risk level and recommendations by the CDC and local government:

- Increased environmental cleaning and sanitation.
- Surveillance of employee health conditions.
- Enforcing a strict visitor policy.
- Restricted travel policies for employees.
- Enhanced communication with our suppliers on their prevention policies and impacted ingredient sources.

Dakota Specialty Enterprises is committed to providing safe, high quality products to our customers and a safe work environment for our employees. Please feel free to contact our office should you have any questions regarding this statement.

Sincerely,

Lora Stone
Vice President of Safety and Quality
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Dakota Specialty Milling 4014 15th Ave NW – Fargo, ND 58102 - 701-282-9656
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Good morning all!

Due to the coronavirus COVID-19 pandemic, we have been working on updating our pandemic policy. The details of the updates will be coming out shortly. Part of our plan is screening people as they come into our offices/facilities. Attached is a questionnaire required for all non-employees. All visitors, delivery people, truck drivers, etc. need to fill this out upon entering any of our buildings.

Let me know if you have any questions or concerns.

Thank you,

Lora Stone
Vice President of Safety and Quality

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