



January 7, 2020

Ohio Schools Council
Attention: Kelly Rocco, Program Manager
6393 Oak Tree Blvd. Suite 377
Independence, Ohio 44131

Dear Kelly:

We are writing to advise you of developments we want you to hear directly from us. On Jan. 5, 2020, Borden and our affiliates filed for voluntary Chapter 11 proceedings under the U.S Bankruptcy Code in Delaware. Before I explain further, I want to express that we start from an advantageous position because 1) we are EBITDA-positive, and 2) we are a heritage American brand that has been in business since 1857. We are extremely confident and optimistic about the future.

If that's the case, you may be wondering, why did we take this step? We intend to use the court process to pursue a financial reorganization designed to reduce our current debt load, maximize value and position the Company for long-term success. Despite Borden's numerous achievements during the past 18 months, we continue to be impacted by the rising cost of raw milk and market challenges facing the dairy industry. These challenges have contributed to making our current level of debt unsustainable. For the last few months, we have engaged in discussions with our lenders to evaluate a range of potential strategic plans for the Company. Ultimately, we determined that the best way to protect the Company, for the benefit of all stakeholders, is to reorganize through a court-supervised process.

During these proceedings, we fully expect it to be business as usual. We are committed to being the most service-oriented dairy Company that provides on-time, in-full deliveries of all our product lines. It is our intent to move through this process as quickly and efficiently as possible.

Again, we have taken this step because we firmly believe it is the best solution to ensure our future and thus our ability to serve our customers and, in turn, your customers.

We will keep you informed of important milestones related to this process. You may also visit **www.bordenfinancialreorg.com** for more information and frequently asked questions. I will be available to respond to any of your questions and welcome the opportunity to assure you of our commitment to our partnership.

Sincerely,

Craig Musgrove
Chief Sales Officer
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