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Phone: 217-854-2547
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COMPANY POSITION ON rBST

January 21, 2008

Prairie Farms Dairy, Inc., a cooperative company owned by dairy farmers, has been supplying consumers with wholesome dairy products since 1938.

Our company is dedicated to addressing the needs of consumers and adapting to provide the right mix of products. An increasing number of consumers are requesting milk from cows not treated with rBST. Driven by this change in the marketplace, effective February 1, 2008, the raw milk supplied by our farmers will come from cows not treated with rBST.

For more information, contact Gary Lee at glee@prairiefarms.com or (217) 854-2547.

Sincerely,

PRAIRIE FARMS DAIRY, INC.

A handwritten signature in black ink that reads "Ed Mullins". The signature is written in a cursive, flowing style.

Edward L. Mullins
Chief Executive Officer
Executive Vice President

ELM:sb



Milk Escalator / De-Escalator Pricing Clause

The pricing quoted is based on the current month's (JUNE 2020) Federal Milk Marketing Order for Class I Skim and Class I Butterfat. This pricing is subject to change as the cost of raw milk changes each month according to the USDA Federal Milk Market Price Announcements and changes in over order premium charges.

The cost of milk fluctuates up and down each month based on the cost changes in raw milk. Changes are based on CMPC announced class 1 Skim and Class 1 announced butterfat. Calculations to four decimal places.

- $\frac{1}{2}$ pint whole = $([(\text{Skim change} * 8.3205) / 100] + [(\text{Butterfat change} * 0.2795) / 16])$
- $\frac{1}{2}$ pint 2% = $([(\text{Skim change} * 8.4476) / 100] + [(\text{Butterfat change} * 0.1724) / 16])$
- $\frac{1}{2}$ pint 1% = $([(\text{Skim change} * 8.5338) / 100] + [(\text{Butterfat change} * 0.0862) / 16])$
- $\frac{1}{2}$ pint Skim = $([(\text{Skim change} * 8.61274) / 100] + [(\text{Butterfat change} * 0.01726) / 16])$

Prices will also be adjusted up or down based on cost changes in packaging, ingredients, labor, fuel, juice concentrate, re-sale products, and any other manufacturing and distribution related expenses. Supporting documentation will be supplied upon request.

FORCE MAJEURE

If either party's failure to comply with any obligation arising under this Agreement results from acts of God, governmental Laws, rules, regulations or order, strikes or other labor trouble, shortage of or inability to obtain raw materials, fuels power or transportation, or any other case beyond the reasonable control of the affected party (any of the foregoing, collectively "Force Majeure", such failure shall not be a breach of this Agreement or create any liability for damages.

All price changes will become effective on the 1st day of the month following the price announcement.

Thank you for the opportunity to bid on your business.

Sincerely,

Stacy R. Wand
Sales Manager
Prairie Farms Dairy Dubuque

**NEW HAMPTON COMMUNITY SCHOOL DISTRICT
710 WEST MAIN STREET
NEW HAMPTON, IOWA 50659**

MILK AND DIARY PRODUCT BID FOR 2020-2021 SCHOOL YEAR

Firm Prairie Farms Dairy
 Address 3510 Central Ave.
Dubuque, IA 52001
 City & State _____
 Phone Number 563 582 7206
 Authorized by STACY R WARD
 Signature *Stacy R Ward*

Pricing below shall be based on the Class I price for fluid milk for the month of June 2020, under the terms of the Federal Market Order. Pricing shall remain firm for the entire 2020-2021 school year except for changes (if any) in the Class I price for fluid milk.

1/2 pint white fat free milk	<u>1968</u>	per carton
1/2 pint white 1% milk	<u>2000</u>	per carton
1/2 pint fat free chocolate milk	<u>2110</u>	per carton
1 gallon white 1% milk	<u>3.05</u>	per gallon
cottage cheese-2% milk fat	<u>8.75</u>	per 5 lb. container
cottage cheese-4% milk fat	<u>8.75</u>	per 5 lb. container
4-6 ounce flavored fat free yogurt	<u>.5500</u>	per carton
14 16 ounce vending milk (white, skim)	<u>.85</u>	per bottle
14 16 ounce vending milk (white, 1%)	<u>.85</u>	per bottle
14 16 ounce vending milk (chocolate, skim)	<u>10% .85</u>	per bottle
14 16 ounce vending milk (Strawberry, skim)	<u>whole .85</u>	per bottle

An additional cash discount of 2% will be allowed for each month purchases, with payment due by the 25th of the following month.

Please indicate if your dairy purchases milk from dairy producers who use growth hormone therapy with their livestock.

Yes No See Attached Other

New Hampton Community Schools reserves the right to accept or reject any or all bids.

New Hampton Community Schools reserves the right to cancel the awarded vendor contract upon non-compliance of contract terms, including but not limited to what the District deems unsatisfactory or spoiled milk, poor product quality, untimely delivery or non delivery of product, etc.