



FARMWARD
COOPERATIVE
Advancing farming for generations

June 29, 2018

Dear Valued Member:

This past February, the Board of Directors for Farmers Cooperative of Hanska and Farmward Cooperative announced that a feasibility study would be conducted to explore the benefits of unification. Over the last four months, the boards, along with senior management and the two cooperatives' staff, have completed their due diligence in analyzing whether a consolidation would create additional value to the members of both cooperatives. In completing the feasibility study, we have concluded there would be definitive benefits to both memberships. As a result, both boards have approved moving forward with unification talks.

So, what does this mean? What this means is that Farmers Coop and Farmward have agreed to move forward in the unification process. As we've stated before, there are several stages in the process of unification and we have now completed Stage 1. During the next stage we will work through key details with a goal of creating a Plan of Merger if and when the details can be mutually agreed upon.

At the completion of Stage 2, if a Plan of Merger is presented and approved by the respective boards, the Plan of Merger will then be presented to membership with a timeline for informational meetings, voting, and the effective merger date. We will also provide you with the advantages of consolidating and/or the opportunities that a consolidation would provide our members.

As soon as we complete Stage 2 of the process, we will provide you with additional information.

We appreciate your continued support.

Cooperatively yours,

Brad Portner
FCH Chairman

Calvin Aarons
Farmward Chairman