



January 29, 2020

TO: Our valued members:

After many discussions and in-depth exploration, your boards of directors for Huron Bay Co-operative Inc. and North Wellington Co-operative Services have decided to bring forward a recommendation to work more closely together by proposing a blending of our co-ops through amalgamation to better serve our combined counties and regions.

In today's competitive climate, we feel it is prudent to find ways to become more effective and efficient to maintain and enhance our services to members and opportunities for our employees, while making the most of our resources.

As co-operatives, and as neighbours, we already share a number of common goals. We exist to serve our members; we are owned and controlled by the people we serve, and we strive to provide the best agricultural and rural services in our market territories.

Together we now serve the farmers and rural residents of Huron, Bruce, Wellington and Grey Counties. We have a combined membership of more than 8,500 farmers and rural residents and more than 75 years of experience serving our local communities. Our co-operatives are both shareholder-owners of GROWMARK, Inc. and we market our products and services under the FS retail brand.

Next steps will be to work towards developing a recommendation on how best to merge our business operations, governance, finances, assets, departments, and markets to determine key strategies to strengthen our competitiveness and member services. At this time, we feel it is important to communicate this strategic direction with you and share the potential opportunities. As you know, the final decisions are controlled and governed by you, the member-owners of the co-ops.

We value the importance of good communication with our stakeholders and we will continue to keep you informed in the very near future as we move forward with new developments through written communications or local information meetings. In the meantime, if you have questions, please contact your co-operative's general manager, Kelly Boyle, or your local board president.

Sincerely,

Sam Luckhardt
President
Huron Bay Co-operative Inc.

Tim Summers
President
North Wellington Co-operative Services