



May 6, 2020

To Whom It May Concern:

MS Biotec conducts many research studies annually in cooperation with several research entities including universities, government institutions and commercial research organizations. These studies are pivotal in our endeavor to develop alternative technologies for sustainable livestock production. They allow us to further document the benefits of the technologies to livestock producers and aid in furthering our knowledge about best practices surrounding their use.

In recent years there has been a dramatic increase in both the direct and indirect costs associated with conducting these research studies. Moreover, the costs not directly associated with research studies vary greatly among research institutions. Given our commitment to our company and its shareholders to pay research costs that are fair and equitable, it is necessary to establish a maximum indirect research cost policy. This policy establishes that the maximum level of indirect and/or overhead costs associated with any research trial is not to exceed 25% of the actual research costs. Furthermore, indirect and/or overhead charges should not be applied to major capital purchases.

This policy is effective as of the date above. We deem this policy to be fair and equitable to both parties.

Sincerely,

A handwritten signature in black ink, appearing to read "M. Corrigan", is written over a light blue horizontal line.

Mark Corrigan
Technical Director