

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
(COMMERCIAL LIST)**

**TEXTRON FINANCIAL CANADA LIMITED**

Applicant

- and -

**BETA LIMITEE/BETA BRANDS LIMITED**

Respondent

**First Report to Court of Mintz & Partners Limited,  
in its Capacity as Interim Receiver and Receiver  
of Beta Limitee/Beta Brands Limited**

**Introduction**

1. This report, made by Mintz & Partners Limited ("Mintz" or the "Receiver") in its capacity as interim receiver and receiver over the assets and undertaking of Beta Limitee/Beta Brands Limited's ("Beta Brands" or the "Company") is submitted to the Court in conjunction with an application by Textron Financial Canada Limited ("Textron") for an order directing the Receiver to complete the sale of certain assets of Beta Brand's bakery business to Bremner, Inc. ("Bremner").

2. On December 28, 2006, Mintz, in its capacity as proposed receiver and receiver and manager of the Company, but prior to its actual appointment as Receiver, prepared a report ("First Report") for the Court in which Mintz set out its view that the proposed sale of the Company's bakery business to Bremner (the "Bremner Transaction") was advantageous to the creditors and other stakeholders of the Company. On January 3, 2007, Mintz was appointed as

Court-Appointed Interim Receiver and Receiver over the assets and undertaking of Beta Brands pursuant to an Order of the Honourable Madam Justice Lax.

3. The purpose of this report is to provide additional information to the Court to support the position of the Proposed Receiver set out in the First Report. The Court is referred to the First Report and the Affidavit filed by Textron Financial Canada Limited in support of this Application for basic background information relating to Beta Brands and its business.

4. Certain information contained in this report is based on information provided by the Company. Mintz has not verified the accuracy or completeness of this information.

5. It should be noted that the Receiver was initially retained as a consultant to Beta to conduct, among other things, a security position review in respect of the Company's secured creditors. This engagement was carried out prior to Mintz's appointment as Receiver over the assets of Beta Brands. Mintz has not independently marketed, and was not retained to market, the Company's assets.

6. The Company, however, conducted its own restructuring evaluation process prior to the appointment of the Receiver. This process involved the engagement of a number of professional advisors, including expert advice respecting the potential sale of the Company or its divisions from Capitalink L.C. ("Capitalink"), a consulting firm based in Coral Gables, Florida, U.S.A., to assist in marketing the Company's assets for sale. This process lasted from approximately September, 2005 until December, 2006. Capitalink, on behalf of the Company, engaged in a marketing process of the Company's assets, including the bakery division which the Receiver now seeks approval to sell.

7. The Receiver is in possession of a number of documents relating to the efforts of the Company in this regard. In particular, the Receiver has received the following documents:

- (a) Four separate Confidential Offering Memoranda prepared for the Company in relation to each of its panned chocolate, bakery, confectionary and breath savers divisions;

- (b) the initial Ralcorp offer to purchase the bakery division of March 21, 2006;
- (c) update memorandum of Capitalink of February 4, 2006 providing an update as to the marketing efforts of Capitalink;
- (d) the Capitalink Retainer agreements of September 19, 2005 and November 28, 2005 attached to Receiver's First Report; and
- (e) the June 20, 2006 update memorandum from Capitalink regarding potential acquisition targets in North America.

8. Based on its review of the Company's marketing process, including the documents listed above and the Receiver's discussions with Company management, the Receiver has no reason to believe that the marketing process conducted by Capitalink was not fair and reasonable, that the assets in question were not exposed to the market for a sufficient period of time, or that further marketing of the bakery division assets will result in additional realizations above the purchase price offered by Bremner Inc. In fact, it is the Receiver's opinion that the failure to proceed with the proposed sale could potentially result in a diminution of the value of the bakery division, and reduce realizations for the stakeholders of the Company for the reasons set out below.

#### **Capitalink's Marketing Process**

9. As set out in the First Report, Beta Brands has been facing serious financial difficulties for several years, culminating in a severe liquidity crisis in 2006. Based on advice received from its professional advisors, in 2005 the Company determined that it needed to restructure its operations. Specifically, the Company examined the possibilities of selling its business to a third party in whole or parts, completing a strategic acquisition, moving to leased facilities using existing or new equipment, or an orderly liquidation of the assets of the Company. Capitalink was retained to investigate several of these options, most notably, marketing the business and/or each of its divisions to potential acquirers throughout North America and Europe, including customers of the Company who may have been potentially looking to manufacture the Company's products.

10. Capitalink targeted its search, the Receiver understands, at parties in each of the business segments of Beta Brands' divisions based on its research and knowledge of the particular business segment involved. While potential purchasers were solicited for offers to purchase the entire company, in the event those parties were not prepared to entertain the idea of purchasing the entire business, Capitalink prepared separate information memoranda ("CIM") for each division of the Company, to be provided to potential purchasers.

11. The strategy employed by Capitalink appears to be a strategy typically utilized by receivers in selling assets of a business. Known players in the industry were solicited for expressions of interest; those parties who expressed interest were provided with one or more of the CIM and required to execute confidentiality agreements. A reasonable amount of time was provided to review the CIM and then those parties were asked, if interested, to submit a bid to acquire the assets involved.

12. Attached as Appendix "A" to this report is a schedule provided to the Receiver by Capitalink that sets out the parties Capitalink contacted in its efforts to seek purchasers for the Company, including its bakery division. Appendix "A" also includes a summary of various discussions and meetings that Capitalink held with various parties.

13. As a result of this initial targeting of potentially interested parties, a number of parties expressed interest in obtaining further information about the bakery division. As set out in Appendix "A", Capitalink distributed the bakery division CIM to nine different interested parties who also executed confidentiality agreements with the Company. Attached as Appendix "D" to the First Report is a memorandum dated June 20, 2006 from Capitalink to the Company providing a status update with respect to the bakery division. The nine parties who received the Bakery CIM are:

1. Ralcorp Holdings, Inc. ("Ralcorp")
2. Original Foods
3. Hershey
4. Johnvince Foods
5. Regal Confections
6. Commercial Bakeries

7. Topps Co.
8. Ancor Holdings
9. Pine Ridge Foods

Discussions were then held between Capitalink and a number of parties, including Arcor Holdings. Attached hereto as Appendix "B" is a true copy of an email from Barry E. Steiner of Capitalink summarizing the discussions with Arcor.

In March, 2006, one purchase proposal was received by the Company for the purchase of the bakery division, from Ralcorp, for a proposed purchase price of US \$3 million. A copy of the purchase proposal submitted by Ralcorp is attached as Appendix "C". The Receiver understands that Capitalink did not advertise the assets of the Company for sale in newspaper publications such as the Globe and Mail. While a newspaper advertisement can be an effective way of attempting to identify potential purchasers, it is the Receiver's view that in the circumstances of this case, such advertising was neither desirable nor likely to produce satisfactory results for the following reasons:

- (a) The nature of the assets involved, namely a large-scale bakery business, are highly specialized and only a small number of potential purchasers would have the ability to actually close a purchase transaction. It is not likely that generalized newspaper advertising would bring forward additional offers from properly qualified potential purchasers who had not already been contacted by Capitalink;
- (b) In the Receiver's experience, the large number of parties responding to such advertisements who would likely have little or no ability to actually complete a purchase of the bakery division would have resulted in a substantial wastage of time for Capitalink (or any other party marketing these assets); and
- (c) Newspaper advertising for any significant period of time can be quite expensive.

14. As stated in the previous Report of Mintz, the Receiver understands that the initial offer from Ralcorp was not immediately pursued by Beta Brands. The Company has advised that the reason for this is that Company management still wished, notwithstanding that the offer received from Ralcorp was the only offer received in relation to any portion of its business, to explore alternative options to "breaking up" the Company. The Receiver understands that one alternative

to winding down the Company's operations that was explored by the Company was a strategic acquisition or a restructuring of the business, which could potentially have rationalized costs, accessed new customer possibilities and/or permitted the Company or to acquire updated machinery on a cost-effective basis. The Company has advised the Receiver that those options included:

- a) potential strategic acquisitions with North American Bakeries and J.T. Bakeries, two Canadian bakery operations;
- b) restructuring options with other food operations owned or controlled by Sun Capital, the sole shareholder of Sun Beta;
- c) acquisition opportunities with a Texas-based candy manufacturer and a Colorado-based bakery operation;
- d) outsourcing options with a Brazilian manufacturer for the confectionary business; and
- e) requesting Capitalink continued to contact and pursue possible acquisition targets across North America.

15. None of these alternatives came to fruition for the Company.

#### **Estimated Security Position of Textron and Sun Beta**

16. In its capacity as Consultant to the Company, on November 17, 2006, Mintz provided the Company (with copies to Textron and Sun Beta) with a Schedule of Estimated Security Position (the "Schedule") which estimated realizations from the Company's assets to be between \$4.4 million and \$11.3 million based on the assumptions set out in the Schedule. Following consideration of potential priority payments and other realization costs, the Schedule estimated the excess of receipts over disbursements to be approximately \$3 million to \$10 million resulting in a potential shortfall to one or both of Textron and Sun Beta.

17. The low-end realization assumed an immediate enforcement of the secured creditor's security and no sale of the bakery business to Bremner and represents, in essence, liquidation of the Company's entire assets. The high-end of the estimate realization assumed an orderly wind-down of operations, including the sale of the bakery division for gross proceeds of US\$3.0 million to Bremner.

18. A copy of the Schedule, as well as a copy of the appraisal report referred to later herein will be provided to the Court on an in camera basis and the Receiver will request that the Court return the documents to the Receiver at the end of the hearing.

19. As set out in the Schedule, the realizations from the Company's assets are estimated to be significantly lower if the Bremner Transaction is not completed. The terms of the Bremner Transaction contemplate an uninterrupted flow of product to customers due to the inventory build that has been completed and which should also act to mitigate any potential set off against accounts receivable that customers may assert if there is a break in product supply. To the extent the Bremner Transaction is not completed, it is the Receiver's view that customers would commence sourcing both branded and private label bakery products from other suppliers, significantly impairing any value for the bakery trademarks and equipment that a Receiver may hope to realize in a receivership sale process and potentially jeopardizing the realizable value of accounts receivable due to customer claims of set off.

#### **The Appraisal in the Possession of the Receiver**

20. In March 2003, Beta Brands engaged Maynards Appraisal Ltd. to conduct an asset appraisal (the "Maynards Appraisal"). The appraisal, which was prepared based on an in-place retail sale of the equipment to an end user with no time limitation to sell, valued the entire bakery line machinery and equipment at \$1,748,000, which includes all four baking ovens. The Bremner Transaction includes only one baking oven (the Maynard's Appraisal did not separately value each oven). In addition, the Maynard's Appraisal indicated that realization values would be expected to be up to 30% less if the equipment was to be removed from the premises, decreasing the appraisal value of all bakery equipment to approximately \$1.2 million (prior to considering any further reduction in value that would result from a forced liquidation of the equipment in a limited time frame).

#### **The "Severability" of the Bakery Business**

21. Company management advises that the bakery division is a separate distinct division from the other Beta Brands divisions. Its inventory and equipment can be readily sold and

removed from the premises without disrupting the opportunity to sell Beta Brands' other divisions, or individual assets thereof.

**Future Marketing Efforts of the Receiver**

22. The Receiver intends to explore every reasonable option to market the remaining assets of Beta Brands in order to maximize recovery for its creditors, and, if at all possible, to realize sufficient proceeds such that unsecured creditors, such as former employees of Beta Brands, receive some payment of amounts due and owing to them. The Receiver is of the view that the proposed sale transaction to Bremner is advantageous as it will generate cash proceeds, a portion of which can potentially be allocated to fund future marketing efforts by the Receiver in relation to the remaining assets under the administration of the Receiver, consisting of the majority of Beta Brands' assets.

**Current Status/Receiver's Recommendation**

23. The Receiver recommends that this Honorable Court approve the sale of the bakery division to Bremner, which the Receiver understands to be a division of Ralcorp, for the following reasons:

- (a) The Receiver has considered the efforts and results of the actions/reports of Capitalink and has no reason to doubt that its marketing process was fair and reasonable, that the assets were not exposed to the market for a sufficient period of time, that the marketing process was flawed in any way or that viable alternatives that could result in higher realizations for creditors were not pursued;
- (b) Textron Financial Canada Limited, the Company's principal operating lender and secured creditor, and Sun Beta LLC, which is the Company's shareholder and the purchaser of a portion of the Textron secured indebtedness, both support the proposed sale to Bremner. In the view of the Receiver, as the major secured creditors of the Company, Sun Beta and Textron have the largest financial stake in the proposed sale, and their support for the sale is highly significant. A considerable amount of




documentation and information regarding the Company's attempts to restructure and market its divisions has been made available to counsel for the union representing the majority of the Company's unionized employees, at counsel's request, in a effort to satisfy the union that this sale process is the best option available to all parties;

- (c) the purchase price in the Bremner Transaction is the same as proposed by its parent company, Ralcorp, in March 2006. The Receiver is therefore of the opinion that the purchase price appears to be closer to a true going concern value, rather than a liquidation value;
- (d) Time is of the essence given the fact that Beta Brands has ceased operations and no longer has any ability to carry on operations. Unless a sale of the bakery division is completed immediately, the perishable inventory that has been produced as part of the "inventory build" contemplated by the Bremner transaction, consisting of bakery division inventory with a value of approximately \$750,000, may be spoiled. In addition, if there is an interruption in the supply of product to Beta Brands' customers, they will likely re-source their supply of products to alternative suppliers. As a result, any potential future purchaser may not be in a position to acquire an important asset contemplated by the Bremner transaction, namely, existing customer supply relationships. This would reduce the value of the bakery division;
- (e) No clear alternative to proceeding with the Bremner transaction exists. The Receiver is not satisfied that any further marketing efforts would result in a reasonable chance of locating alternative willing purchasers, or what alternative marketing efforts have not already been undertaken by Capitalink. There is no evidence that any alternative willing purchaser for the bakery division, or the Company as a whole on a going concern, exists; balanced against the need for immediate action with respect to the assets in question and the overwhelming likelihood that the Bremner sale

represents the best chance of maximizing value, the Receiver does not believe that embarking on a process of attempting to locate a purchaser of the entire business as a going concern is advisable at this time and does not recommend same.

24. In summary, the Receiver is of the view that the proposed Bremner Transaction is advantageous to the creditors and other stakeholders of the Company for the reasons set out in this Report and the First Report.

DATED the 5<sup>th</sup> day of January, 2007.



**Mintz & Partners Limited,**

**Receiver of the assets and undertaking of Beta Brands Limited**

**Daniel R. Weisz CA•CIRP, CIRP / Hartley Bricks, MBA, CA•CIRP**



# Appendix A

## Beta Candy M&amp;A - Status Detail

## Received Offer

Cede Candy				Jon Dee	(908)964-0660
9-Feb-06	15:18	SMUNTNER	Email	Sent Beta Breath CIM (oc:Jon Dee)	
14-Feb-06	15:30	BSTEINER	Call	Left Msg (oc:Jon Dee)	
15-Feb-06	10:52	SMUNTNER	Call	Wants to tour plant Tues 2/21 at 1:00 PM (oc:Jon Dee)	
15-Feb-06	14:25	SMUNTNER	Call	Can tour Wed in morning around 10/11 (oc:Jon Dee)	
				Call back to let know if OK and if equipment has CSA certification	

Hershey Co.				Jeff Edleman	(717)534-7420
17-Nov-05	15:55	BSTEINER	Call	Left Msg (oc:Thomas K. Hernquist)	
14-Dec-05	14:58	BSTEINER	Call	Left Msg (oc:Thomas K. Hernquist)	
14-Dec-05	15:15	BSTEINER	Email	Sent Beta Candy NDA (oc:Jeff Edleman)	
15-Dec-05	15:23	SMUNTNER	Call	Corporate counsel is revising NDA/ to return tomorrow (oc:Jeff Edleman)	
				Jeff Harsh to return NDA with changes tomorrow in a.m.	
21-Dec-05	09:36	SMUNTNER	Call	Follow Up Beta Candy NDA (oc:Jeff Harsh)	
				Left message to track down NDA- Jeff Edelman out till Jan. 3	
21-Dec-05	09:52	SMUNTNER	Call	Sending NDA to him to give to legal (oc:Jeff Harsh)	
				On vacation from 22-27 of Dec	
21-Dec-05	09:56	SMUNTNER	Email	Panned Chocolate Company for Sale (oc:Jeff Harsh)	
28-Dec-05	10:15	BSTEINER	Call	Left Msg (oc:Jeff Edleman)	
3-Jan-06	11:21	SMUNTNER	Email	NDA (oc:Jeff Harsh)	
3-Jan-06	13:43	BSTEINER	Email	RE: NDA (oc:Jeff Harsh)	
3-Jan-06	13:43	SMUNTNER	Email	RE: NDA (oc:Jeff Harsh)	
3-Jan-06	14:02	SMUNTNER	Email	re[2]: NDA (oc:Jeff Harsh)	
3-Jan-06	14:26	SMUNTNER	Email	Materials (oc:Jeff Edleman)	
3-Jan-06	14:28	SMUNTNER	Email	Materials (oc:Jeff Harsh)	
3-Jan-06	14:29	SMUNTNER	Email	Candy CIM (oc:Jeff Harsh)	
3-Jan-06	14:31	SMUNTNER	Email	Breath Mint CIM (oc:Jeff Harsh)	

Beta Candy M&A - Status Detail

Received Offer

4-Jan-06	14:31	SMUNTNER	Email	Additional Diligence information requested (oc:Jeff Harsh)
4-Jan-06	15:07	SMUNTNER	Email	re: Additional Diligence information requested (oc:Jeff Harsh)
4-Jan-06	15:35	SMUNTNER	Email	RE: Additional Diligence information requested (oc:Jeff Harsh)
5-Jan-06	13:09	SMUNTNER	Email	Standard cost information by SKU (oc:Jeff Harsh)
6-Jan-06	16:53	BSTEINER	Call	Left Msg (oc:Jeff Harsh)
9-Jan-06	15:39	SMUNTNER	Email	Regal agreement (oc:Jeff Harsh)
17-Jan-06	10:29	BSTEINER	Email	Beta Brands (oc:Jeff Harsh)
17-Jan-06	10:31	BSTEINER	Email	RE: Beta Brands (oc:Jeff Harsh)
17-Jan-06	10:31	SMUNTNER	Email	RE: Beta Brands (oc:Jeff Harsh)
17-Jan-06	10:42	BSTEINER	Email	re[2]: Beta Brands (oc:Jeff Harsh)
17-Jan-06	13:46	BSTEINER	Email	RE: re[2]: Beta Brands (oc:Jeff Harsh)
17-Jan-06	13:52	BSTEINER	Email	re[4]: Beta Brands (oc:Jeff Harsh)
17-Jan-06	14:59	BSTEINER	Call	back tomorrow with offer (oc:Jeff Harsh)
19-Jan-06	11:03	SMUNTNER	Email	Beta Brands Bakery CIM (oc:Jeff Harsh)
20-Jan-06	07:54	BSTEINER	Email	RE: Breath Savers (oc:Jeff Harsh)
20-Jan-06	08:13	BSTEINER	Email	Breath Savers (oc:Jeff Harsh)
20-Jan-06	17:28	BSTEINER	Email	re[2]: Breath Savers (oc:Jeff Harsh)
24-Jan-06	11:27	BSTEINER	Call	finalizing offer - tues or wed (oc:Jeff Harsh)
24-Jan-06	12:49	BSTEINER	Email	FW: Letter (oc:Jeff Harsh)
24-Jan-06	15:17	BSTEINER	Email	re: FW: Letter (oc:Jeff Harsh)
27-Jan-06	10:02	BSTEINER	Email	Breath Savers (oc:Jeff Harsh)
27-Jan-06	10:05	BSTEINER	Email	RE: Breath Savers (oc:Jeff Harsh)
27-Jan-06	10:25	BSTEINER	Email	re[2]: Breath Savers (oc:Jeff Harsh)
1-Feb-06	13:02	BSTEINER	Call	Needs to have an answer on his offer by Friday (oc:Jeff Harsh)
3-Feb-06	11:21	BSTEINER	Call	said expect at least \$2mmC (oc:Jeff Harsh)

3-Feb-06 12:10 SMUNTNER Other  
 cc: BSTEINER (Barry E. Steiner), SMUNTNER (Steven B. Muntner)  
 Told him his offer was too low/Will revisit 2/13 (oc:Jeff Edleman)  
 Out of country next week.



## Beta Candy M&amp;A - Status Detail

## Received Offer

Date	Time	Name	Method	Details
9-Feb-06	10:24	BSTEINER	Email	Breath Savers (oc:Jeff Harsh)
9-Feb-06	10:54	BSTEINER	Email	RE: Breath Savers (oc:Jeff Harsh)
10-Feb-06	14:12	BSTEINER	Email	re[2]: Breath Savers (oc:Jeff Harsh)
15-Feb-06	09:55	BSTEINER	Call	Please call 717-534-4383 (oc:Jeff Harsh)
17-Feb-06	11:46	BSTEINER	Call	see below (oc:Jeff Harsh)
17-Feb-06	13:44	BSTEINER	Call	told him \$C1mm won't do it. Sees significant decline in all brands and minimal value to them - would not want equipment - stay in contact Call to Respond to their offer (oc:Jeff Harsh)

## Original Foods

Steeve Tremblay

(450)692-7606

Date	Time	Name	Method	Details
9-Feb-06	17:05	SMUNTNER	Email	Breath Mint Company for Sale (oc:Steve Tremblay)
9-Feb-06	17:25	SMUNTNER	Email	Re: Breath Mint Company for Sale (oc:Steeve (from Blackberry))
9-Feb-06	17:36	SMUNTNER	Email	re[2]: Breath Mint Company for Sale (oc:Steven B. Muntner)
13-Feb-06	13:35	BSTEINER	Call	sending back nda - all 4 (oc:Steeve Tremblay)
13-Feb-06	14:58	SMUNTNER	Email	Beta Brands CIM (oc:Steeve Tremblay)
13-Feb-06	14:59	SMUNTNER	Email	Panned Chocolate NDA (oc:Steeve Tremblay)
13-Feb-06	15:00	SMUNTNER	Email	Confectionery CIM (oc:Steeve Tremblay)
13-Feb-06	15:00	SMUNTNER	Email	Bakery CIM (oc:Steeve Tremblay)
13-Feb-06	15:48	SMUNTNER	Email	RE: Beta Brands CIM (oc:Steeve Tremblay)
13-Feb-06	16:11	SMUNTNER	Email	Beta Brands Follow-up (oc:Steeve Tremblay)
14-Feb-06	11:47	SMUNTNER	Email	RE: Beta Brands Follow-up (oc:Steeve Tremblay)
14-Feb-06	15:47	BSTEINER	Call	Left Msg (oc:Steeve Tremblay)
21-Feb-06	12:07	SMUNTNER	Call	Called to follow-up/In Brazil till 5 March (oc:Steeve Tremblay)
9-Mar-06	14:02	SMUNTNER	Email	His final offer for McCormicks/May bid on Breath Savers but probably not Follow-up with him through email and CC Philippe Update on my offer on McCormick (oc:Steeve Tremblay)
9-Mar-06	14:13	BSTEINER	Email	Update on my offer on McCormick (oc:Steeve Tremblay)
9-Mar-06	14:14	SMUNTNER	Email	Update on my offer on McCormick (oc:Steeve Tremblay)

## Beta Candy M&amp;A - Status Detail

**Received Offer**

9-Mar-06	15:58	SMUNTNER	Other	Clarified His Offer (oc:Steeve Tremblay) C\$1.9 million for equipment and McCormicks brand Inventory to be purchased separately at market/acq-cost Mainly does marshmallows and would consider splitting business with someone who does reg. confectionery Thinks value is declining every week In Florida 3/16 and 3/17
10-Mar-06	11:11	SMUNTNER	Email	Lunch on Friday 3/17 (oc:Steeve Tremblay)

**Ralcorp Holdings Inc.****Scott Monette****(314)877-7000**

27-Oct-05	13:26	SMUNTNER	Other	Bremner store crackers- leader through acquisitions (oc:Richard R. Koulouris)
27-Oct-05	13:28	SMUNTNER	Other	Nutcracker Brand leads in nuts & chocolates (oc:Richard R. Koulouris)
17-Nov-05	11:56	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
29-Nov-05	15:07	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
30-Nov-05	10:25	SMUNTNER	Email	Sent Beta Candy NDA (oc:Scott Monette)
30-Nov-05	10:26	SMUNTNER	Other	Interested in Bakery, confectionery, and choc books (oc:Scott Monette) Chocolate division is too small for them alone, but would consider lumping divisions together. Especially interested in cookie/cracker division.
30-Nov-05	14:35	SMUNTNER	Email	CA for Panned Chocolate Company (oc:allockle@ralcorp.com)
1-Dec-05	18:19	SMUNTNER	Email	Revised CA for candy company (oc:Amy Locklear)
2-Dec-05	09:20	SMUNTNER	Call	Follow Up Candy NDA- left message to see if changes OK (oc:Amy Locklear)
2-Dec-05	10:02	SMUNTNER	Email	Re: re[2]: Revised CA for candy company (oc:Amy Locklear)
2-Dec-05	10:59	SMUNTNER	Email	re[4]: Revised CA for candy company (oc:Amy Locklear)
2-Dec-05	12:04	SMUNTNER	Email	Re: re[4]: Revised CA for candy company (oc:Amy Locklear)
5-Dec-05	11:06	SMUNTNER	Call	Left Msg to follow-up on NDA (oc:Scott Monette)
6-Dec-05	11:13	SMUNTNER	Email	Re: Nondisclosure Agreement (oc:Amy Locklear)
6-Dec-05	11:14	SMUNTNER	Email	Nondisclosure Agreement (oc:Amy Locklear)
6-Dec-05	11:14	SMUNTNER	Other	Sent Email to follow-up on NDA (oc:Scott Monette)
6-Dec-05	11:25	SMUNTNER	Email	re[2]: Nondisclosure Agreement (oc:Amy Locklear)
6-Dec-05	11:34	SMUNTNER	Email	Candy CIM (oc:Scott Monette)



## Beta Candy M&amp;A - Status Detail

## Received Offer

6-Dec-05	11:37	SMUNTNER	Other	Wants to see Bakery & Confectionery Books (oc:Scott Monette)
6-Dec-05	13:27	SMUNTNER	Email	Re: Nondisclosure Agreement (oc:Amy Locklear)
6-Dec-05	13:45	SMUNTNER	Email	re[2]: Nondisclosure Agreement (oc:Amy Locklear)
13-Dec-05	15:44	BSTEINER	Call	Left Msg (oc:Scott Monette)
23-Dec-05	14:13	SMUNTNER	Email	Confectionery CIM (oc:Scott Monette)
23-Dec-05	14:17	SMUNTNER	Other	Sent Confectionery CIM (oc:Scott Monette)
2-Jan-06	09:16	SMUNTNER	Email	Re: Confectionery CIM (oc:Scott Monette)
2-Jan-06	12:52	SMUNTNER	Email	re[2]: Confectionery CIM (oc:Scott Monette)
19-Jan-06	10:59	SMUNTNER	Email	Beta Brands Cracker CIM (oc:Scott Monette)
24-Jan-06	11:09	SMUNTNER	Call	Left Msg (oc:Scott Monette)
24-Jan-06	16:40	SMUNTNER	Email	Re: Beta Brands Cracker CIM (oc:Scott Monette)
1-Feb-06	16:09	BSTEINER	Email	Beta Brands Bakery Division (oc:Scott Monette)
6-Feb-06	09:41	SMUNTNER	Call	Left Msg/Back in office tomorrow (oc:Scott Monette)
7-Feb-06	10:09	SMUNTNER	Call	Will have nonbinding offer by end of week (oc:Scott Monette)
7-Feb-06	12:50	SMUNTNER	Email	Wants to tour facility. Interested mainly in Bakery for Bremner and Panned Choc. Pot interested in real property also. Factory Tour Dates (oc:Scott Monette)
8-Feb-06	15:31	SMUNTNER	Call	Left Msg (oc:Scott Monette)
8-Feb-06	17:43	SMUNTNER	Call	Wants to tour plant on the 23rd (oc:Scott Monette)
13-Feb-06	11:27	SMUNTNER	Call	Set to tour plan 2/23 at 12 noon (oc:Scott Monette)
13-Feb-06	11:43	BSTEINER	Call	To send nonbinding offer this week via email Plant Tour (oc:Scott Monette)
13-Feb-06	15:56	SMUNTNER	Other	cc: SMUNTNER (Steven B. Muntner), BSTEINER (Barry E. Steiner) Submitted Bid for Bakery & Panned Choc for US\$8 mm (oc:Scott Monette) Not interested in branded McCormicks
14-Feb-06	16:26	SMUNTNER	Call	Left Msg (oc:Scott Monette)
16-Feb-06	11:15	SMUNTNER	Call	Left Msg (oc:Scott Monette)
16-Feb-06	11:21	SMUNTNER	Call	Going to speak with Scott about revising agreement (oc:Charles Huber Jr.)

Beta Candy M&A - Status Detail

Received Offer

26-Feb-06	21:33	BSTEINER	Email	OVEN (oc:Richard R. Koulouris)
28-Feb-06	16:34	BSTEINER	Email	re: OVEN (oc:Richard R. Koulouris)
28-Feb-06	20:10	BSTEINER	Email	Oven (oc:Richard R. Koulouris)
1-Mar-06	08:18	BSTEINER	Email	re: Oven (oc:Richard R. Koulouris)
6-Mar-06	10:49	BSTEINER	Email	Follow up (oc:Richard R. Koulouris)
6-Mar-06	12:18	BSTEINER	Email	Re: Follow up (oc:Richard R. Koulouris)
6-Mar-06	15:39	BSTEINER	Email	re[2]: Follow up (oc:Richard R. Koulouris)
9-Mar-06	10:01	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
9-Mar-06	17:51	SMUNTNER	Email	Meeting next week at Beta (oc:Scott Monette)
9-Mar-06	18:57	SMUNTNER	Email	Re: Meeting next week at Beta (oc:Scott Monette)
9-Mar-06	22:17	SMUNTNER	Email	FWD: Re: Meeting next week at Beta (oc:Scott Monette)
10-Mar-06	10:55	BSTEINER	Email	re[2]: Meeting next week at Beta (oc:Scott Monette)
10-Mar-06	14:27	BSTEINER	Email	Re: re[2]: Meeting next week at Beta (oc:Richard R. Koulouris)
10-Mar-06	14:36	BSTEINER	Email	re[4]: Meeting next week at Beta (oc:Richard R. Koulouris)
10-Mar-06	15:51	BSTEINER	Email	Tuesday in Canada (oc:Scott Monette)
10-Mar-06	16:05	BSTEINER	Email	Re: Tuesday in Canada (oc:Scott Monette)
13-Mar-06	14:48	SMUNTNER	Email	Beta Brands Offer (oc:Scott Monette)
13-Mar-06	15:08	SMUNTNER	Email	Re: Beta Brands Offer (oc:Scott Monette)
13-Mar-06	15:15	SMUNTNER	Email	re[2]: Beta Brands Offer (oc:Scott Monette)
13-Mar-06	17:04	SMUNTNER	Email	Re: re[2]: Beta Brands Offer (oc:Scott Monette)
17-Mar-06	17:35	SMUNTNER	Call	Expect revised offer by Mon/Tues for Bakery (oc:Scott Monette) -Going to be in the U.S. \$3.0 million range for Bakery business and packaging equipment and other ancillary equipment not used to manufacture product (not ovens) -Would need to buy 10-12 weeks inventory by customer separately and freight -Lowered their offer due to allergen issues and Beta being cited and potential for loss of customer base -Need to have engineers make final trip to plant to review equipment
20-Mar-06	09:22	BSTEINER	Email	Beta (oc:Scott Monette)
5-Apr-06	11:54	BSTEINER	Email	Re: Beta Brands (oc:Scott Monette)
5-Apr-06	13:12	SMUNTNER	Email	Beta Brands (oc:Scott Monette)

## Beta Candy M&amp;A - Status Detail

## Received Offer

5-Apr-06	14:54	SMUNTNER	Email	Re: Beta Brands (oc:Scott Monette)
1-Jun-06	11:58	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
18-Oct-06	10:46	BSTEINER	Email	Beta Brands (oc:Richard R. Koulouris)
20-Oct-06	09:10	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
20-Oct-06	09:33	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
20-Oct-06	09:50	BSTEINER	Email	re[2]: Beta (oc:Richard R. Koulouris)
20-Oct-06	15:03	BSTEINER	Email	re[2]: Beta (oc:Richard R. Koulouris)
20-Oct-06	15:15	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
20-Oct-06	15:18	BSTEINER	Email	More Beta (oc:Richard R. Koulouris)
23-Oct-06	13:21	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
24-Oct-06	11:48	BSTEINER	Call	Left Msg (oc:Richard R. Koulouris)
25-Oct-06	12:49	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
25-Oct-06	17:09	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
27-Oct-06	11:38	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
27-Oct-06	11:43	BSTEINER	Email	re[2]: Beta (oc:Richard R. Koulouris)
27-Oct-06	11:45	BSTEINER	Email	Re: re[2]: Beta (oc:Richard R. Koulouris)
29-Oct-06	19:39	BSTEINER	Email	this tues (oc:Richard R. Koulouris)
29-Oct-06	20:05	BSTEINER	Email	Re: this tues (oc:Richard R. Koulouris)
29-Oct-06	20:38	BSTEINER	Email	re[2]: this tues (oc:Richard R. Koulouris)
30-Oct-06	10:44	BSTEINER	Email	FWD: Re: ralcorp (oc:Richard R. Koulouris)
30-Oct-06	11:44	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
30-Oct-06	12:14	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
30-Oct-06	18:36	BSTEINER	Email	FWD: ralcorp (oc:Richard R. Koulouris)
30-Oct-06	18:46	BSTEINER	Email	Re: FWD: ralcorp (oc:Richard R. Koulouris)
30-Oct-06	18:48	BSTEINER	Email	re[2]: FWD: ralcorp (oc:Richard R. Koulouris)
30-Oct-06	18:53	BSTEINER	Email	Re: re[2]: FWD: ralcorp (oc:Richard R. Koulouris)
30-Oct-06	19:00	BSTEINER	Email	re[4]: FWD: ralcorp (oc:Richard R. Koulouris)
31-Oct-06	21:17	BSTEINER	Email	Follow up (oc:Richard R. Koulouris)
31-Oct-06	21:36	BSTEINER	Email	Re: Follow up (oc:Richard R. Koulouris)

## Beta Candy M&amp;A - Status Detail

## Received Offer

1-Nov-06	17:28	BSTEINER	Email	Re: Follow up (oc:Richard R. Koulouris)
3-Nov-06	12:07	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
3-Nov-06	15:39	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
3-Nov-06	20:21	BSTEINER	Email	Fw: Fwd: Ralcorp - Capacity & Inventory Plan (oc:Richard R. Koulouris)
3-Nov-06	22:52	BSTEINER	Email	FWD: Fwd: FW: Ralcorp - Capacity & Inventory Plan (oc:Richard R. Koulouris)
3-Nov-06	23:36	BSTEINER	Email	Re: FWD: Fwd: FW: Ralcorp - Capacity & Inventory Plan (oc:Richard R. Koulouris)
6-Nov-06	18:11	BSTEINER	Email	Follow up (oc:Richard R. Koulouris)
6-Nov-06	18:41	BSTEINER	Email	Re: Follow up (oc:Richard R. Koulouris)
6-Nov-06	19:57	BSTEINER	Email	Re: Follow up (oc:Richard R. Koulouris)
7-Nov-06	14:17	BSTEINER	Email	Timing (oc:Richard R. Koulouris)
7-Nov-06	15:37	BSTEINER	Email	Re: Timing (oc:Richard R. Koulouris)
7-Nov-06	23:59	BSTEINER	Email	Re: Timing (oc:Richard R. Koulouris)
10-Nov-06	08:05	BSTEINER	Email	Moving Forward (oc:Richard R. Koulouris)
10-Nov-06	10:59	BSTEINER	Email	Call me (oc:Richard R. Koulouris)
11-Nov-06	15:17	BSTEINER	Email	Beta (oc:Richard R. Koulouris)
12-Nov-06	07:31	BSTEINER	Email	Re: Beta (oc:Richard R. Koulouris)
12-Nov-06	20:26	BSTEINER	Email	re[2]: Beta (oc:Richard R. Koulouris)
13-Nov-06	15:31	BSTEINER	Email	follow up (oc:Richard R. Koulouris)
13-Nov-06	15:36	BSTEINER	Email	Re: follow up (oc:Richard R. Koulouris)
13-Nov-06	16:30	BSTEINER	Email	Tomorrow (oc:Richard R. Koulouris)
13-Nov-06	17:49	BSTEINER	Email	also... (oc:Richard R. Koulouris)
13-Nov-06	18:33	BSTEINER	Email	Re: Tomorrow (oc:Richard R. Koulouris)
16-Nov-06	09:49	BSTEINER	Email	Beta (oc:Charles Huber)
16-Nov-06	15:12	BSTEINER	Email	Re: Beta (oc:Charles Huber)
16-Nov-06	15:25	BSTEINER	Email	re[2]: Beta (oc:Charles Huber)
16-Nov-06	15:27	BSTEINER	Email	FWD: FW: Answers to questions (oc:Charles Huber)
17-Nov-06	12:57	BSTEINER	Email	Agreement (oc:Richard R. Koulouris)
17-Nov-06	14:19	BSTEINER	Email	Re: Agreement (oc:Richard R. Koulouris)
17-Nov-06	15:03	BSTEINER	Email	re[2]: Agreement (oc:Richard R. Koulouris)

Beta Candy M&A - Status Detail

Received Offer

20-Nov-06	11:10	BSTEINER	Email	Update? (oc:Richard R. Koulouris)
21-Nov-06	14:55	BSTEINER	Email	please call me (oc:Richard R. Koulouris)
21-Nov-06	16:15	BSTEINER	Email	FWD: FW: Asset Purchase Agreement (oc:Richard R. Koulouris)
21-Nov-06	19:06	BSTEINER	Email	Re: FWD: FW: Asset Purchase Agreement (oc:Richard R. Koulouris)
21-Nov-06	19:11	BSTEINER	Email	Re: FWD: FW: Asset Purchase Agreement (oc:Richard R. Koulouris)
29-Nov-06	09:58	BSTEINER	Email	Beta (oc:Richard R. Koulouris)

Rito Mints

Peter Nassif

(819)379-1449

14-Dec-05	11:02	SMUNTNER	Call	Touched Base/ Is sending back NDA shortly (oc:Peter Nassif)
14-Dec-05	11:40	SMUNTNER	Email	Sent Beta Breath CIM (oc:Peter Nassif)
28-Dec-05	09:51	BSTEINER	Call	Left Msg (oc:Peter Nassif)
28-Dec-05	12:23	BSTEINER	Call	closed until 3rd - speak then re arranging visit (oc:Peter Nassif)
3-Jan-06	13:56	SMUNTNER	Call	819-379-1449 (oc:Peter Nassif)
6-Jan-06	16:50	BSTEINER	Call	Left Msg (oc:Peter Nassif)
13-Jan-06	10:58	SMUNTNER	Other	Said he could not find Breath Savers in stores (oc:Peter Nassif) Could not find in: <ol style="list-style-type: none"> <li>1. Loblaws</li> <li>2. Shopper's Drug Mart</li> <li>3. Zeller's</li> <li>4. Giant Tiger</li> </ol>
13-Jan-06	11:00	SMUNTNER	Other	Called stores to follow-up with Peter (oc:Peter Nassif) Loblaws and Zellers said they do not carry Breath Savers. Shoppers Drug Mart is not sure and Giant Tiger will not list their number.
17-Jan-06	16:45	BSTEINER	Call	thoughts on bsavers pricing next week (oc:Peter Nassif)
24-Jan-06	10:47	BSTEINER	Call	Left Msg (oc:Peter Nassif)
25-Jan-06	11:05	SMUNTNER	Call	Will have offer on BSavers late today or early tom'w (oc:Peter Nassif) Wants to arrange plant tour week of Feb 6
30-Jan-06	10:58	SMUNTNER	Call	Response to Offer (oc:Peter Nassif) Will review his offer and possibly revise upwards. Will not reach a 7x number. Can't get over fact that sales are on decline over years.

Beta Candy M&A - Status Detail

Total of: 12

**In Discussions**

**Arcor do Brasil**

**Gustavo Badino**

**(416)730-9847**

16-Nov-05	11:55	BSTEINER	Call	lft msg with Natalia (oc:Gustavo Bandino) Gustavo in Argentina
16-Nov-05	11:57	BSTEINER	Call	Left Msg (oc:Sergio Lamate)
23-Nov-05	09:25	BSTEINER	Call	Left Msg (oc:Sergio Limante)
29-Nov-05	14:37	BSTEINER	Call	Left Msg (oc:Sergio Limante)
30-Nov-05	13:48	BSTEINER	Call	Left Msg - back monday (oc:Sergio Limante)
6-Dec-05	13:28	BSTEINER	Call	see below (oc:Gustavo Badino) would look at Bsavers and McCormicks - \$1-1.2 US. Told him does not make sense but would be back to him stay away per Gary (oc:Gustavo Badino)
6-Dec-05	16:05	BSTEINER	Call	3:30 sunday - booth (oc:Gustavo Badino)
12-Jan-06	17:01	BSTEINER	Call	Left Msg (oc:Gustavo Badino)
24-Jan-06	10:44	BSTEINER	Call	Is in Brazil/Has limited access to emails (oc:Gustavo Badino) Will follow-up with us by next week (returns on Saturday)
16-Feb-06	14:37	BSTEINER	Call	looking at deal - 2/3 more weeks (oc:Gustavo Badino)
6-Mar-06	10:35	BSTEINER	Call	meeting on 3/15-3/16 to decide on interest (oc:Gustavo Badino)
20-Mar-06	10:51	BSTEINER	Call	interested in paying \$3mm for whole thing (oc:Gustavo Badino) only liability would take on is employee issues
27-Apr-06	07:59	BSTEINER	Call	Left Msg (oc:Gustavo Badino)
27-Apr-06	08:34	BSTEINER	Call	expectation for entire business? (oc:Gustavo Badino)

**Brown & Haley**

**Pierson Clair**

**(800)445-9020**

**Beta Candy M&A - Status Detail**

**In Discussions**

16-Nov-05	14:00	BSTEINER	Call	Left Msg-back fri (oc:Pierson Clair)
17-Nov-05	17:46	BSTEINER	Email	Sent Beta Candy NDA (oc:Pierson Clair)
21-Nov-05	16:52	SMUNTNER	Email	Sent Beta Candy CIM (oc:Pierson Clair)
29-Nov-05	14:21	BSTEINER	Call	Left Msg (oc:John Melin)
30-Nov-05	13:56	BSTEINER	Call	Left Msg (oc:Pierson Clair)
1-Dec-05	15:48	BSTEINER	Call	potentially interested in panning equipment only (oc:John Melin)

**Ferrara Pan Candy Company**

**Tom Polke**

**(708)405-3024**

16-Nov-05	16:01	BSTEINER	Call	Left Msg (oc:Salvatore Ferrara Jr.)
23-Nov-05	10:04	BSTEINER	Call	Left Msg (oc:Salvatore Ferrara Jr.)
29-Nov-05	14:46	BSTEINER	Call	Left Msg (oc:Salvatore Ferrara Jr.)
1-Dec-05	09:33	BSTEINER	Call	Left Msg (oc:Salvatore Ferrara Jr.)
2-Dec-05	10:27	BSTEINER	Call	Left Msg (oc:Salvatore Ferrara Jr.)
5-Dec-05	16:43	BSTEINER	Email	Sent Beta Candy NDA (oc:Tom Polke)
9-Dec-05	09:13	BSTEINER	Call	Left Msg (oc:Tom Polke)
16-Dec-05	13:26	BSTEINER	Call	Left Msg (oc:Tom Polke)
28-Dec-05	09:43	BSTEINER	Call	Left Msg (oc:Tom Polke)
3-Jan-06	15:04	BSTEINER	Call	Returned your call 708-405-3024 (oc:Tom Polke)
6-Jan-06	17:09	BSTEINER	Call	Left Msg (oc:Tom Polke)
12-Jan-06	12:09	BSTEINER	Call	Left Msg (oc:Tom Polke)
13-Jan-06	11:15	BSTEINER	Call	Left Msg (oc:Tom Polke)
15-Mar-06	11:10	BSTEINER	Call	interest in a mogul (oc:Tom Polke)
15-May-06	10:55	BSTEINER	Call	Left Msg (oc:Tom Polke)
15-May-06	11:42	BSTEINER	Call	get infp on products (oc:Tom Polke)

**Ganong Bros. Limited**

**David Ganong**

**(506)465-5600**

16-Nov-05	15:47	BSTEINER	Call	Left Msg (oc:David Ganong)
29-Nov-05	14:48	BSTEINER	Call	Left Msg - back next week (oc:David Ganong)

## Beta Candy M&amp;A - Status Detail

## In Discussions

1-Dec-05	09:07	SMUNTNER	Email	Sent Beta Candy CIM (oc:David Ganong)
5-Dec-05	12:05	SMUNTNER	Other	Wants to see Confectionery Book when complete (oc:David Ganong)
13-Dec-05	15:31	BSTEINER	Call	reviewing with coo (oc:David Ganong)
13-Dec-05	15:34	BSTEINER	Email	Sent Beta Breath CIM (oc:David Ganong)
23-Dec-05	14:17	SMUNTNER	Other	Sent Confectionery CIM (oc:David Ganong)
5-Jan-06	11:49	BSTEINER	Call	(oc:David Pigott- Ganong Bros.)
5-Jan-06	15:46	SMUNTNER	Call	(oc:David Pigott- Ganong Bros.)
12-Jan-06	12:12	BSTEINER	Call	Left Msg (oc:David Ganong)
19-Jan-06	13:18	BSTEINER	Call	Follow Up Beta Breath CIM (oc:David Ganong)
24-Jan-06	10:32	BSTEINER	Call	Left Msg (oc:Dave Pigott)
24-Jan-06	13:18	SMUNTNER	Call	Confirmed Appt (oc:David Ganong)
7-Feb-06	09:15	SMUNTNER	Call	Left Msg to see if has everything needs/push value (oc:David Ganong)
7-Feb-06	10:32	SMUNTNER	Call	Still needs Grand Slam/Choc Peanut/Confect Bill of Mat. (oc:Dave Pigott) Also an issue of 4th mogul if can be used or not. Conference call on the 14th. Should have value for BSavers and Choc/Possibly Confectionery also.
7-Feb-06	10:37	SMUNTNER	Other	Equipment needed (oc:Dave Pigott) Need all BSavers equipment Not all Choc equip/Only need panning equip Sugar Confec- may need 4th mogul Regal relationship
9-Feb-06	10:04	BSTEINER	Call	re info (oc:Dave Pigott) has bsavers; got chocolate waiting on confection
14-Feb-06	12:30	SMUNTNER	Appointment	call (oc:David Ganong)
14-Feb-06	15:28	BSTEINER	Call	cc: BSTEINER (Barry E. Steiner), SMUNTNER (Steven B. Muntner) Left Msg (oc:Dave Pigott)
16-Feb-06	11:13	SMUNTNER	Call	Left Msg (oc:David Ganong)
7-Mar-06	12:24	BSTEINER	Call	Left Msg (oc:Dave Pigott)
9-Mar-06	09:30	BSTEINER	Call	Dave Pigott - 506-465-6502 (oc:Dave Pigott)



Beta Candy M&A - Status Detail

**In Discussions**

**Impact Confections**

**Brad Baker**

**(719)268-6101**

Date	Time	Name	Call Type	Notes
9-Dec-05	12:09	BSTEINER	Call	Left Msg (oc:Brad Baker)
9-Dec-05	15:44	BSTEINER	Email	Sent Beta Candy NDA (oc:Brad Baker)
9-Dec-05	16:56	BSTEINER	Call	719-268-6100 (oc:Brad Baker)
12-Dec-05	08:32	BSTEINER	Email	Sent Beta Breath CIM (oc:Brad Baker)
12-Dec-05	08:33	BSTEINER	Email	Sent Beta Candy CIM (oc:Brad Baker)
14-Dec-05	12:30	BSTEINER	Call	potential interest - send confection book also (oc:Brad Baker)
14-Dec-05	12:30	BSTEINER	Call	Follow Up Beta Breath CIM (oc:Brad Baker)
14-Dec-05	12:30	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Brad Baker)
23-Dec-05	14:17	SMUNTNER	Other	Sent Confectionery CIM (oc:Brad Baker)
4-Jan-06	15:37	BSTEINER	Call	Left Msg (oc:Brad Baker)
6-Jan-06	16:02	SMUNTNER	Call	Follow-Up Questions for Confectionery Division (oc:Brad Baker)
				1. Why is U.S. Revenue declining so much?
				2. Can he get a breakdown in EBIT for US/Canada?
				3. How arrive at operating expense numbers? (% or sq ft basis)
9-Jan-06	16:45	SMUNTNER	Call	Discussion Call with Beta and Impact (oc:Brad Baker)
10-Jan-06	18:44	BSTEINER	Call	Discussion Call with Beta and Impact (oc:Brad Baker)
19-Jan-06	16:44	SMUNTNER	Call	Left Msg (oc:Brad Baker)
24-Jan-06	11:06	SMUNTNER	Call	Left Msg (oc:Brad Baker)
1-Feb-06	10:19	BSTEINER	Call	Left Msg (oc:Brad Baker)
8-Feb-06	14:07	SMUNTNER	Call	Collecting his thoughts/Try to get us # next week (oc:Brad Baker)
				BSavers and Confectionery

**Johnvince Foods**

**Joe Pulla**

**(416)636-6146**

Date	Time	Name	Call Type	Notes
11-Oct-05	17:13	SMUNTNER	Other	Direct Competitor in Canada (oc:Vincent Pulla)
30-Nov-05	14:50	BSTEINER	Call	Left Msg (oc:Joe Pulla)
6-Dec-05	15:12	BSTEINER	Call	Left Msg (oc:Joe Pulla)
8-Dec-05	11:28	BSTEINER	Call	Left Msg (oc:Joe Pulla)

## Beta Candy M&amp;A - Status Detail

**In Discussions**

8-Dec-05	15:04	SMUNTNER	Call	416-636-6146 X 7118 (oc:Joe Pulla) Interested in all 4 Books
8-Dec-05	15:04	SMUNTNER	Email	Sent Beta Candy NDA (oc:Joe Pulla)
12-Dec-05	12:11	SMUNTNER	Call	Left Msg (oc:Joe Pulla)
14-Dec-05	10:18	BSTEINER	Call	Left Msg (oc:Joe Pulla)
15-Dec-05	14:53	SMUNTNER	Other	Spoke to Deryl Couch regarding non-hire (oc:Joe Pulla) Deryl advised to try to change term to 1-year, otherwise defer to Gary Musick at Beta Brands
16-Dec-05	09:16	BSTEINER	Call	Left Msg (oc:Moody Talaat)
16-Dec-05	09:17	SMUNTNER	Call	Discuss Non-hire Clause (oc:Moody Talaat)
16-Dec-05	11:33	BSTEINER	Call	Left Msg (oc:Moody Talaat)
28-Dec-05	09:55	BSTEINER	Call	Left Msg (oc:Joe Pulla)
28-Dec-05	10:44	BSTEINER	Email	Revised NDA (oc:Moody Talaat)
28-Dec-05	14:04	BSTEINER	Email	Beta (oc:Moody Talaat)
3-Jan-06	16:17	BSTEINER	Email	Beta CIMs (oc:Moody Talaat)
3-Jan-06	16:26	BSTEINER	Email	re: Beta CIMs (oc:Moody Talaat)
3-Jan-06	16:38	BSTEINER	Email	RE: Beta CIMs (oc:Moody Talaat)
4-Jan-06	16:14	BSTEINER	Call	Left Msg (oc:Joe Pulla)
5-Jan-06	15:20	BSTEINER	Call	Left Msg (oc:Moody Talaat)
5-Jan-06	17:55	BSTEINER	Call	reviewing package (oc:Joe Pulla)
13-Jan-06	11:22	BSTEINER	Call	not in Germany (oc:Joe Pulla) wants to meet in Canada - 23
20-Jan-06	14:10	BSTEINER	Email	Visit to Johnvince (oc:Moody Talaat)
20-Jan-06	17:21	BSTEINER	Email	re: Visit to Johnvince (oc:Moody Talaat)
23-Jan-06	10:28	BSTEINER	Email	re: Visit to Johnvince (oc:Moody Talaat)
24-Jan-06	10:35	BSTEINER	Call	Left Msg (oc:Moody Talaat)
24-Jan-06	18:20	BSTEINER	Email	Availability (oc:Moody Talaat)
24-Jan-06	18:36	SMUNTNER	Email	Beta Brands Bakery CIM (oc:Joe Pulla)
24-Jan-06	18:48	BSTEINER	Email	Next week (oc:Moody Talaat)

## Beta Candy M&amp;A - Status Detail

**In Discussions**

31-Jan-06	12:08	SMUNTNER	Call	Left Msg to confirm Thurs visit (oc:Moody Talaat)
31-Jan-06	15:11	SMUNTNER	Call	Confirmed Appt- Try for closer to 10:15/10:30 (oc:Moody Talaat) Will have nonbinding letter of intent to us tomorrow morning around 10:30
1-Feb-06	11:31	BSTEINER	Email	Letter of Interest (oc:Moody Talaat)
4-Feb-06	07:05	BSTEINER	Email	Good to see you (oc:Moody Talaat)
8-Feb-06	10:57	SMUNTNER	Call	Board meeting tomorrow/Will send all issues together (oc:Moody Talaat)
9-Feb-06	10:16	BSTEINER	Call	Please call 416-636-6146 ext. 7143 (oc:Joe Pulla) or cell 416-991-3172
10-Feb-06	12:20	SMUNTNER	Email	Regal agreement (oc:Moody Talaat)
10-Feb-06	14:07	SMUNTNER	Email	RE: Regal agreement (oc:Moody Talaat)
10-Feb-06	14:26	SMUNTNER	Email	re[2]: Regal agreement (oc:Moody Talaat)
10-Feb-06	15:04	SMUNTNER	Email	RE: re[2]: Regal agreement (oc:Moody Talaat)
10-Feb-06	15:24	SMUNTNER	Email	re[4]: Regal agreement (oc:Moody Talaat)
13-Feb-06	14:01	BSTEINER	Email	Beta Info (oc:Moody Talaat)
13-Feb-06	18:32	BSTEINER	Email	RE: Beta Info (oc:Moody Talaat)
15-Feb-06	11:26	BSTEINER	Email	Breath Savers (oc:Moody Talaat)
15-Feb-06	16:29	BSTEINER	Call	Left Msg (oc:Moody Talaat)
15-Feb-06	16:36	BSTEINER	Call	offer coming tomorrow (oc:Moody Talaat)
15-Feb-06	19:04	BSTEINER	Email	RE: Breath Savers (oc:Moody Talaat)
16-Feb-06	17:06	SMUNTNER	Call	Will have offer on email by tomorrow at 11 AM (oc:Moody Talaat)
17-Feb-06	14:01	BSTEINER	Email	Follow up (oc:Moody Talaat)
17-Feb-06	14:04	BSTEINER	Email	Good to meet you (oc:Joe Pulla)
17-Feb-06	15:47	SMUNTNER	Email	Letter of Interest _ Breathsavers (oc:<jvf@johnvince.com>)
17-Feb-06	15:47	BSTEINER	Email	Letter of Interest _ Breathsavers (oc:<jvf@johnvince.com>)
17-Feb-06	15:47	BSTEINER	Email	Letter of Interest _ Breathsavers (oc:<jvf@johnvince.com>)
20-Feb-06	08:47	BSTEINER	Email	RE: Breathsavers LOI (oc:Moody Talaat)
28-Feb-06	12:04	SMUNTNER	Call	Left Msg (oc:Moody Talaat)
15-Mar-06	14:30	BSTEINER	Call	Left Msg (oc:Moody Talaat)
5-Apr-06	13:14	SMUNTNER	Email	Beta Brands (oc:Moody Talaat)

## Beta Candy M&amp;A - Status Detail

**In Discussions**

17-Apr-06	11:39	BSTEINER	Call	re bsavers - wants updated #s (oc:Moody Talaat)
27-Apr-06	07:55	BSTEINER	Email	Breath Savers (oc:Moody Talaat)

**North American Baking/PL Foods Ltd.****H. Dennis Hughey****(905)873-8744**

1-Dec-05	10:45	BSTEINER	Call	Left Msg (oc:H. Dennis Hughey)
1-Dec-05	14:42	BSTEINER	Call	spoke re company - call Walnut (oc:H. Dennis Hughey)

**Regal Confections, Inc.****Joe Neufeld****(800)363-4434**

13-Dec-05	10:03	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
14-Dec-05	11:53	BSTEINER	Call	interest in McCormicks brand (oc:Joe Neufeld) brand has value, but not enough for customers to pay premium ni in chocolate or BSavers
14-Dec-05	11:56	BSTEINER	Email	Sent Beta Candy NDA (oc:Joe Neufeld)
14-Dec-05	12:34	BSTEINER	Email	RE: Panned Chocolate Company for Sale (oc:Joe Neufeld)
14-Dec-05	14:41	BSTEINER	Email	re[2]: Panned Chocolate Company for Sale (oc:Joe Neufeld)
28-Dec-05	09:58	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
3-Jan-06	15:23	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
3-Jan-06	15:34	BSTEINER	Call	lawyer going through it (oc:Joe Neufeld)
4-Jan-06	16:47	SMUNTNER	Email	Beta Brands (oc:Joe Neufeld)
5-Jan-06	11:01	SMUNTNER	Email	Regal Confections/NDA-Capitalink, L.C. (oc:"Albert Greenspoon" <agreenspoon@kau
6-Jan-06	10:45	SMUNTNER	Email	re: Regal Confections/NDA-Capitalink, L.C. (oc:Albert Greenspoon)
9-Jan-06	09:51	SMUNTNER	Email	Beta Brands NDA (oc:Joe Neufeld)
9-Jan-06	11:48	SMUNTNER	Email	Beta Brands NDA (oc:Joe Neufeld)
9-Jan-06	14:05	SMUNTNER	Email	Beta Brands Materials (oc:Joe Neufeld)
12-Jan-06	12:13	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
24-Jan-06	10:42	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
24-Jan-06	18:34	SMUNTNER	Email	Beta Brands Bakery CIM (oc:Joe Neufeld)
24-Jan-06	18:35	SMUNTNER	Email	Re: Beta Brands Bakery CIM (oc:Joe Neufeld)
24-Jan-06	18:35	SMUNTNER	Email	Re: Beta Brands Bakery CIM (oc:Joe Neufeld)

Beta Candy M&A - Status Detail

**In Discussions**

1-Feb-06	15:46	BSTEINER	Email	Nice to meet you (oc:Joe Neufeld)
6-Feb-06	08:58	SMUNTNER	Email	RE: Nice to meet you (oc:Joe Neufeld)
6-Feb-06	08:58	BSTEINER	Email	RE: Nice to meet you (oc:Joe Neufeld)
7-Feb-06	12:13	SMUNTNER	Email	Breath Savers Actual Costing Information (oc:Joe Neufeld)
7-Feb-06	12:52	SMUNTNER	Email	RE: Breath Savers Actual Costing Information (oc:Joe Neufeld)
8-Feb-06	11:27	BSTEINER	Email	BREATHSAVERS (oc:Joe Neufeld)
8-Feb-06	11:45	BSTEINER	Email	RE: BREATHSAVERS (oc:Joe Neufeld)
8-Feb-06	14:45	SMUNTNER	Email	RE: BREATHSAVERS (oc:Joe Neufeld)
9-Feb-06	14:29	BSTEINER	Email	ACQUISITION (oc:Joe Neufeld)
9-Feb-06	14:29	SMUNTNER	Email	ACQUISITION (oc:Joe Neufeld)
10-Feb-06	11:50	BSTEINER	Email	Report (oc:Joe Neufeld)
10-Feb-06	11:50	BSTEINER	Email	Re: Report (oc:Joe Neufeld)
13-Feb-06	14:04	BSTEINER	Call	Left Msg (oc:Joe Neufeld)
14-Feb-06	15:47	BSTEINER	Call	meeting with ganong on 2/23 (oc:Joe Neufeld)
24-Feb-06	15:20	BSTEINER	Email	Re: Follow up (oc:Joe Neufeld)
24-Feb-06	15:20	BSTEINER	Email	Follow up (oc:Joe Neufeld)
7-Mar-06	14:24	BSTEINER	Email	follow up (oc:Joe Neufeld)
7-Mar-06	15:28	BSTEINER	Email	RE: follow up (oc:Joe Neufeld)
7-Mar-06	17:51	BSTEINER	Email	re[2]: follow up (oc:Joe Neufeld)
9-Mar-06	09:58	BSTEINER	Email	re[2]: follow up (oc:Joe Neufeld)
9-Mar-06	11:46	BSTEINER	Email	RE: re[2]: follow up (oc:Joe Neufeld)
9-Mar-06	11:56	BSTEINER	Email	re[4]: follow up (oc:Joe Neufeld)
9-Mar-06	14:54	BSTEINER	Email	RE: BETA Rolling Forecast (oc:Joe Neufeld)
15-Mar-06	11:13	BSTEINER	Email	Brazil (oc:Joe Neufeld)
18-May-06	11:18	BSTEINER	Email	Beta (oc:Joe Neufeld)
18-May-06	11:41	BSTEINER	Email	RE: Beta (oc:Joe Neufeld)

**Sunrise Confections**

**Richard Harshman**

**(800)685-1475**

17-Nov-05	13:50	BSTEINER	Call	Left Msg (oc:Richard Harshman)
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**Beta Candy M&A - Status Detail**

**In Discussions**

17-Nov-05	16:15	BSTEINER	Call	discussions with Gary? (oc:Richard Harshman)
17-Nov-05	16:33	BSTEINER	Call	Gary indicated not going in the direction he discussed (oc:Richard Harshman) with them

**Union Machinery**

**Jim Greenberg**

**(718)585-0200**

30-Nov-05	15:05	BSTEINER	Call	assets - believes worth US\$250 pre costs/fee (oc:Jim Greenberg)
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**Total of: 10**

**Sent CIM**

**Biscomerica Corp**

**Nadi Soltan**

**(909)877-5997**

16-Nov-05	13:47	BSTEINER	Call	Left Msg (oc:Kathy O'Brien)
30-Nov-05	13:50	BSTEINER	Call	Left Msg (oc:Kathy O'Brien)
1-Dec-05	07:57	BSTEINER	Email	Sent Beta Candy CIM (oc:Nadi Soltan)
6-Dec-05		BSTEINER	Call	Left Msg (oc:Nadi Soltan)
13-Dec-05	15:27	BSTEINER	Call	Left Msg (oc:Nadi Soltan)
13-Dec-05	15:52	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Nadi Soltan)

**Commercial Bakeries Corp.**

**Anthony Fusco Sr.**

**(416)247-5478**

8-Feb-06	09:34	SMUNTNER	Call	Call w Barry (oc:Anthony Fusco)
8-Feb-06	09:54	SMUNTNER	Email	Bakery Company for Sale (oc:Anthony Fusco)
8-Feb-06	10:29	SMUNTNER	Email	Beta Brands Bakery CIM (oc:Anthony Fusco)
15-Feb-06	09:31	BSTEINER	Call	Left Msg (oc:Anthony Fusco Sr.)
15-Feb-06	11:48	BSTEINER	Email	Beta Brands (oc:Anthony Fusco)

## Beta Candy M&amp;A - Status Detail

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**Sent CIM**

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15-Feb-06	13:45	BSTEINER	Email	RE: Beta Brands (oc:Anthony Fusco Sr.)
15-Jun-06	16:10	ZGARCES	Message Sent	Please call Anthony Fusco Sr. @ (416)247-5478 ext 223 (oc:Anthony Fusco Sr.)

**John B. Sanfilippo & Son, Inc.****Mike Valentine****(847)593-2300**

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17-Nov-05	09:21	BSTEINER	Call	Left Msg (oc:Jeffrey T. Sanfilippo)
29-Nov-05	14:53	BSTEINER	Call	Left Msg (oc:Jeffrey T. Sanfilippo)
13-Feb-06	09:53	BSTEINER	Call	Left Msg (oc:Mike Valentine)
6-Mar-06	18:10	SMUNTNER	Email	Sent Beta Candy CIM (oc:Mike Valentine)

**KPMG****Steve Smith****(416)777-8530**

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17-Jan-06	13:48	BSTEINER	Call	Left Msg (oc:Steve Smith)
24-Jan-06	10:52	BSTEINER	Call	Left Msg (oc:Steve Smith)
1-Feb-06	10:06	BSTEINER	Call	Left Msg (oc:Steve Smith)
				Is traveling in New York today. Said that the best time to reach him is tomorrow afternoon.
9-Feb-06	10:25	BSTEINER	Call	Left Msg (oc:Steve Smith)
15-Feb-06	09:54	BSTEINER	Call	buyer would want r/estate for an extended period (oc:Steve Smith) back of list

**Madelaine Chocolate Novelties****Jorge Farber****(718)945-1500**

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17-Nov-05	15:57	BSTEINER	Call	Left Msg (oc:Jorge Farber)
18-Nov-05	14:30	BSTEINER	Email	Sent Beta Candy NDA (oc:Jorge Farber)
6-Dec-05		BSTEINER	Call	Left Msg (oc:Jorge Farber)
13-Dec-05	15:41	BSTEINER	Call	Left Msg (oc:Scott Wright)
4-Jan-06	16:18	BSTEINER	Call	Left Msg (oc:Jorge Farber)

**Paragon Capital****Michael Levy****(212)894-0275**

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16-Nov-05	11:43	BSTEINER	Call	Left Msg (oc:Taz Murray)
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## Beta Candy M&amp;A - Status Detail

## Sent CIM

23-Nov-05	09:27	BSTEINER	Call	Left Msg (oc:Taz Murray)
23-Nov-05	15:04	BSTEINER	Call	Left Msg (oc:Taz Murray)
29-Nov-05	14:19	BSTEINER	Call	Left Msg (oc:Taz Murray)
1-Dec-05	13:26	BSTEINER	Call	Left Msg (oc:Taz Murray)
6-Dec-05	11:15	BSTEINER	Call	Left Msg (oc:Taz Murray)
9-Dec-05	09:22	BSTEINER	Call	Left Msg (oc:Michael Levy)
12-Dec-05	11:36	BSTEINER	Email	Sent Beta Candy NDA (oc:Michael Levy)
19-Dec-05	17:21	SMUNTNER	Email	Sent Beta Candy CIM (oc:Michael Levy)
19-Dec-05	17:21	SMUNTNER	Email	Sent Beta Breath CIM (oc:Michael Levy)
4-Jan-06	16:20	BSTEINER	Call	Left Msg (oc:Michael Levy)
13-Jan-06	11:36	BSTEINER	Call	will speak to taz re germany (oc:Michael Levy)
1-Feb-06	10:33	BSTEINER	Call	Left Msg (oc:Michael Levy)
9-Feb-06	10:27	BSTEINER	Call	emailed and left msg re mccormicks (oc:Michael Levy)
15-Feb-06	09:53	BSTEINER	Call	Left Msg (oc:Michael Levy)
6-Mar-06	10:33	BSTEINER	Call	Left Msg (oc:Michael Levy)
6-Mar-06	13:44	BSTEINER	Call	Alpine to buy mccormicks name on distressed basis (oc:Michael Levy)

## Sconza Candy Co

Greg Cater

(510)568-8137

17-Nov-05	12:13	BSTEINER	Email	Sent Beta Candy NDA (oc:Greg Cater)
18-Nov-05	15:09	BSTEINER	Email	Sent Beta Candy CIM (oc:Greg Cater)
18-Nov-05	15:10	BSTEINER	Call	Follow Up Beta Candy NDA (oc:Greg Cater)
29-Nov-05	14:25	BSTEINER	Call	Left Msg (oc:Greg Cater)
29-Nov-05	15:48	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Greg Cater)
6-Dec-05		BSTEINER	Call	Left Msg (oc:Greg Cater)
13-Dec-05	15:48	BSTEINER	Call	Left Msg (oc:Greg Cater)
4-Jan-06	16:23	BSTEINER	Call	Left Msg (oc:Greg Cater)
4-Jan-06	16:34	BSTEINER	Call	Left Msg (oc:Greg Cater)



## Beta Candy M&amp;A - Status Detail

## Sent CIM

## Tootsie Roll Industries

Ellen Gordon

(773)838-3400

Date	Time	Name	Method	Message
17-Nov-05	14:01	BSTEINER	Call	Left Msg (oc:Thomas Corr)
17-Nov-05	15:00	BSTEINER	Email	Sent Beta Candy NDA (oc:Ellen Gordon)
18-Nov-05	12:22	SMUNTNER	Call	Left message about NDA/Is planning on sending back soon (oc:Ellen Gordon)
29-Nov-05	14:59	SMUNTNER	Other	Sent email to track down NDA (oc:Ellen Gordon)
30-Nov-05	15:17	BSTEINER	Call	Left Msg (oc:Ellen Gordon)
2-Dec-05	09:27	SMUNTNER	Other	Ellen unavailable today/left message w Mary (oc:Ellen Gordon)
6-Dec-05	09:04	BSTEINER	Call	Left Msg (oc:Ellen Gordon)
8-Dec-05	15:59	SMUNTNER	Call	Counsel may not have a chance to review NDA till Monday (oc:Ellen Gordon)
13-Dec-05	09:34	BSTEINER	Call	trying to get to NDA changes (oc:Ellen Gordon)
21-Dec-05	09:48	SMUNTNER	Other	Spoke with Ellen. Trying to return NDA by New Year. (oc:Ellen Gordon) Very busy. Counsel still needs to review changes.
29-Dec-05	10:21	BSTEINER	Call	have attys deal as they don't want to change form (oc:Ellen Gordon)
29-Dec-05	10:31	BSTEINER	Call	Lawyer is Bob Sotokoff - 312.828.9600 (oc:Ellen Gordon)
12-Jan-06	11:56	BSTEINER	Call	sending nda today?! (oc:Ellen Gordon)
19-Jan-06	10:42	BSTEINER	Call	reviewing - key people not in Germany (oc:Ellen Gordon)

## Topps Co. Inc

Paul Cherrie

(416)622-3425

Date	Time	Name	Method	Message
3-Apr-06	15:10	SMUNTNER	Email	Breath Mint Company for Sale (oc:Paul Cherrie)
3-Apr-06	15:47	SMUNTNER	Email	RE: Breath Mint Company for Sale (oc:Paul Cherrie)
3-Apr-06	15:58	SMUNTNER	Email	re[2]: Breath Mint Company for Sale (oc:Paul Cherrie)
3-Apr-06	16:12	SMUNTNER	Email	RE: re[2]: Breath Mint Company for Sale (oc:Paul Cherrie)
3-Apr-06	16:43	SMUNTNER	Email	Beta Brands Information Memorandums (oc:Paul Cherrie)
3-Apr-06	17:03	SMUNTNER	Email	RE: Beta Brands Information Memorandums (oc:Paul Cherrie)
25-Apr-06	17:15	SMUNTNER	Email	RE: Beta Brands Information Memorandums (oc:Paul Cherrie)
25-Apr-06	17:16	SMUNTNER	Email	re[2]: Beta Brands Information Memorandums (oc:Paul Cherrie)
25-Apr-06	17:44	SMUNTNER	Email	re[4]: Beta Brands Information Memorandums (oc:Paul Cherrie)

**Beta Candy M&A - Status Detail**

**Sent CIM**

30-Apr-06	20:41	SMUNTNER	Email	RE: re[4]: Beta Brands Information Memorandums (oc:Paul Cherrie)
30-May-06	07:48	BSTEINER	Call	Follow-up (oc:Paul Cherrie)
22-Aug-06	11:37	SMUNTNER	Email	cc: BSTEINER (Barry E. Steiner), SMUNTNER (Steven B. Muntner) RE: re[2]: Beta Brands Information Memorandums (oc:Paul Cherrie)
24-Aug-06	13:38	BSTEINER	Call	re beta (oc:Paul Cherrie)
6-Sep-06	11:41	BSTEINER	Call	Left Msg (oc:Paul Cherrie)
13-Sep-06	13:39	BSTEINER	Call	Left Msg (oc:Paul Cherrie)
15-Sep-06	10:27	BSTEINER	Call	Re: Beta-brands Deal Please call tomorrow after 12:00pm Left Msg (oc:Paul Cherrie)

**Total of: 9**

**Sent Exec Summary**

**Barry Callebaut Canada Inc.**

**Aldo Zavagno**

**(450)774-9131**

16-Nov-05	13:34	BSTEINER	Call	Left Msg (oc:Joseph Lucas)
23-Nov-05	09:44	BSTEINER	Call	Left Msg (oc:Aldo Zavagno)
29-Nov-05	14:29	BSTEINER	Call	Left Msg (oc:Aldo Zavagno)
9-Dec-05	11:13	BSTEINER	Call	Left Msg (oc:Aldo Zavagno)

**Total of: 1**

## Beta Candy M&amp;A - Status Detail

## Sent NDA

## Atkinson Candy Company

Eric Atkinson

(936)639-2333

Date	Time	Contact	Method	Notes
16-Nov-05	12:07	BSTEINER	Call	doubtful but potentially chocolate (oc:Eric Atkinson)
16-Nov-05	14:48	BSTEINER	Email	Sent Beta Candy NDA (oc:Eric Atkinson)
17-Nov-05	14:05	SMUNTNER	Call	Left message to see if received NDA (oc:Eric Atkinson)
30-Nov-05	14:00	BSTEINER	Call	Left Msg (oc:Eric Atkinson)
6-Dec-05	10:59	SMUNTNER	Other	Spoke with secretary/Going to call with email address (oc:Eric Atkinson)
6-Dec-05	16:32	SMUNTNER	Call	Secretary called with Eric's email address (oc:Eric Atkinson)
6-Dec-05	16:34	SMUNTNER	Email	Sent Beta Candy NDA (oc:Eric Atkinson)
12-Dec-05	12:02	SMUNTNER	Call	Left Msg with assistant (oc:Eric Atkinson)
15-Dec-05	15:02	SMUNTNER	Call	Left Msg re:NDA (oc:Eric Atkinson)
21-Dec-05	09:38	SMUNTNER	Call	Follow Up Beta Candy NDA- left message (oc:Eric Atkinson)

## Bernard Callebaut

Bernard Callebaut

(403)265-5777

Date	Time	Contact	Method	Notes
18-Nov-05	14:11	SMUNTNER	Call	Left Msg with assistant (oc:Bernard Callebaut)
28-Nov-05	18:43	SMUNTNER	Email	Sent Beta Candy NDA (oc:Bernard Callebaut)
2-Dec-05	09:14	SMUNTNER	Call	Follow Up Beta Candy NDA- left message (oc:Bernard Callebaut)
5-Dec-05	11:16	SMUNTNER	Call	Left message for Kerri (oc:Bernard Callebaut)
6-Dec-05	10:55	SMUNTNER	Other	Sent Email to follow-up on NDA (oc:Bernard Callebaut)
7-Dec-05	12:15	SMUNTNER	Call	Callebauts still need time to review agreement (oc:Bernard Callebaut) Will return to us in a few days
15-Dec-05	15:05	SMUNTNER	Call	Left Msg with Kerri Chambers (oc:Bernard Callebaut)
21-Dec-05	10:04	SMUNTNER	Call	Left Msg (oc:Bernard Callebaut)

## Les Bonbons Mondoux

Yvan Mondoux

(450)669-1311

Date	Time	Contact	Method	Notes
17-Nov-05	09:55	BSTEINER	Email	Sent Beta Candy NDA (oc:Yvan Mondoux)
18-Nov-05	11:50	SMUNTNER	Call	Left message to see if received NDA (oc:Yvan Mondoux)

## Beta Candy M&amp;A - Status Detail

**Sent NDA**

29-Nov-05	10:29	SMUNTNER	Call	Follow Up Beta Candy NDA- Spoke with Assistant (oc:Yvan Mondoux) Have an interest/Is going to speak with owner about sending agreement back.
5-Dec-05	11:11	SMUNTNER	Call	Spoke with Yvan/Going to fax back to us today (oc:Yvan Mondoux)
6-Dec-05	11:03	SMUNTNER	Other	Sent Email to follow-up on NDA (oc:Yvan Mondoux)

**Lindt & Sprungli (Canada) Inc.****Rudi Blatter****(416)351-8566**

17-Nov-05	10:02	BSTEINER	Call	Left Msg (oc:Rudi Blatter)
18-Nov-05	16:23	BSTEINER	Email	Sent Both NDA's (oc:Rudi Blatter)
18-Nov-05	16:27	BSTEINER	Call	Returned your call 416-351-9404 (oc:Rudi Blatter)
29-Nov-05	14:48	SMUNTNER	Other	Referred to Dieter Weisskopf (oc:Rudi Blatter)
29-Nov-05	14:48	SMUNTNER	Other	Sent email to track down NDA (oc:Dieter Weisskopf)
6-Dec-05	11:08	SMUNTNER	Other	Emailed Rudi to track down NDA (oc:Rudi Blatter)

**Sensual Chocolatiers****Michael McKenna****(800)585-7885**

18-Nov-05	17:28	SMUNTNER	Email	Sent Beta Candy NDA (oc:Michael McKenna)
21-Nov-05	18:12	SMUNTNER	Call	Follow-Up on NDA/Not Sure If Interested (oc:Michael McKenna)
6-Dec-05	11:17	SMUNTNER	Other	Sent Email to follow-up on NDA (oc:Michael McKenna)

**Terri Lynn Inc****Joe Graziano Jr.****(847)741-1900**

17-Nov-05	13:54	BSTEINER	Call	Left Msg (oc:Mark Graziano)
22-Nov-05	09:46	BSTEINER	Email	Sent Beta Candy NDA -both (oc:Joe Graziano)
29-Nov-05	10:37	SMUNTNER	Call	Follow Up Beta Candy NDA- Left message (oc:Joe Graziano) Out of office
2-Dec-05	09:22	SMUNTNER	Other	left message to see if going to send back NDA (oc:Joe Graziano Jr.)
6-Dec-05	11:19	SMUNTNER	Other	Sent Email to follow-up on NDA (oc:Joe Graziano Jr.)

### Beta Candy M&A - Status Detail

Total of: 6

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#### Send NDA

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**The Walnut Group**

**John R. Bernloehr**

**(513)651-3300**

26-Jan-06	11:23	BSTEINER	Call	send nda (oc:John R. Bernloehr)
1-Feb-06	10:23	BSTEINER	Call	Left Msg (oc:John R. Bernloehr)
9-Feb-06	10:21	BSTEINER	Call	Left Msg (oc:John R. Bernloehr)

cc: BSTEINER (Barry E. Steiner), SMUNTNER (Steven B. Muntner)

Total of: 1

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#### No Interest after Materials

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**Adams & Brooks, Inc.**

**John Brooks, Sr.**

**(213)749-3226**

16-Nov-05	11:41	BSTEINER	Call	Left Msg (oc:John Brooks, Sr.)
16-Nov-05	13:39	BSTEINER	Call	potential on chocolate (oc:John Brooks, Sr.)
16-Nov-05	14:35	BSTEINER	Email	Sent Beta Candy NDA (oc:John Brooks, Sr.)
17-Nov-05	14:06	SMUNTNER	Call	Left message to see if received NDA (oc:John Brooks, Sr.)
5-Dec-05	11:14	SMUNTNER	Call	Left message with secretary (oc:John Brooks, Sr.)
6-Dec-05	10:50	SMUNTNER	Other	Sent Email to track down NDA (oc:John Brooks, Sr.)

**Beta Candy M&A - Status Detail**

**No Interest after Materials**

**Ancor Holdings**

**Craig Porter**

**(817)509-5236**

6-Mar-06	13:45	SMUNTNER	Email	Candy/Bakery Company for Sale (oc:Craig Porter)
8-Mar-06	09:56	SMUNTNER	Email	Teasers (oc:Craig Porter)
8-Mar-06	13:32	SMUNTNER	Call	Left Msg- NDA Changes (oc:Craig Porter)
8-Mar-06	14:35	SMUNTNER	Email	Bakery CIM (oc:Craig Porter)
14-Mar-06	17:32	SMUNTNER	Call	Don't have capacity right now/Keep him posted (oc:Craig Porter) May make another acquisition to get space in next few months, but probably not before 3-4 months down line.
18-Apr-06	17:37	BSTEINER	Email	Acquisition Opportunity (oc:Craig Porter)
31-Oct-06	17:02	BSTEINER	Email	Ancor Holdings (oc:Craig Porter)
8-Nov-06	14:11	BSTEINER	Email	re: Ancor Holdings (oc:Craig Porter)

**Brookside Foods**

**Dennis McGuire**

**(604)852-5940**

16-Nov-05	13:57	BSTEINER	Call	Back from Mexico on Fri (oc:Francisco Gomez)
23-Nov-05	15:09	BSTEINER	Call	Left Msg (oc:Francisco Gomez)
1-Dec-05	13:02	BSTEINER	Call	Left Msg - back monday (oc:Dennis McGuire)
6-Dec-05	15:08	BSTEINER	Call	Left Msg (oc:Dennis McGuire)
9-Dec-05	14:22	BSTEINER	Email	Sent Beta Candy NDA (oc:Dennis McGuire)
12-Dec-05	12:06	SMUNTNER	Call	Left Msg (oc:Dennis McGuire)
12-Dec-05	13:56	BSTEINER	Email	Sent Beta Candy CIM (oc:Dennis McGuire)
12-Dec-05	13:57	BSTEINER	Email	Sent Beta Breath CIM (oc:Dennis McGuire)
4-Jan-06	16:05	BSTEINER	Call	Left Msg (oc:Dennis McGuire)
5-Jan-06	12:05	BSTEINER	Call	ni-would be interested in chocolate only & too small (oc:Dennis McGuire)
5-Jan-06	12:05	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Dennis McGuire)
5-Jan-06	12:05	BSTEINER	Call	Follow Up Beta Breath CIM (oc:Dennis McGuire)

**Cadbury Adams**

**James Cali**

**(973)909-2573**

**Beta Candy M&A - Status Detail**

**No Interest after Materials**

16-Nov-05	14:06	BSTEINER	Call	Left Msg (oc:Bradley C. Irwin)
23-Nov-05	09:52	BSTEINER	Call	Left Msg (oc:Bradley C. Irwin)
29-Nov-05	14:41	BSTEINER	Call	Left Msg (oc:Bradley C. Irwin)
2-Dec-05	09:17	SMUNTNER	Other	left message about NDA (oc:James Cali)
2-Dec-05	16:07	BSTEINER	Call	sending nda changes (oc:James Cali)
6-Dec-05	08:58	BSTEINER	Call	Left Msg (oc:James Cali)
6-Dec-05	09:53	BSTEINER	Call	Left Msg (oc:James Cali)
				will be in and out of the office
6-Dec-05	13:38	BSTEINER	Call	discussing nda with counsel (oc:James Cali)
9-Dec-05	10:04	SMUNTNER	Call	Left Msg (oc:James Cali)
15-Dec-05	15:09	SMUNTNER	Other	Sent email to track down NDA (oc:James Cali)
16-Dec-05	13:39	SMUNTNER	Email	Sent Beta Candy CIM (oc:James Cali)
16-Dec-05	13:40	SMUNTNER	Email	Sent Beta Breath CIM (oc:James Cali)
28-Dec-05	09:54	BSTEINER	Call	Left Msg (oc:James Cali)
4-Jan-06	16:05	BSTEINER	Call	need to talk w/Canada - back Tues (oc:James Cali)
17-Jan-06	10:34	BSTEINER	Call	Left Msg (oc:James Cali)

**Catric Corporation**

**Cedric R. Tollemache**

**(281)359-3900**

2-Dec-05	16:59	SMUNTNER	Email	Sent Beta Candy NDA (oc:Cedric R. Tollemache)
2-Dec-05	17:15	SMUNTNER	Email	Sent Beta Breath CIM (oc:Cedric R. Tollemache)
2-Dec-05	17:15	SMUNTNER	Email	Sent Beta Candy CIM (oc:Cedric R. Tollemache)
13-Dec-05	15:28	BSTEINER	Call	Left Msg (oc:Cedric R. Tollemache)
13-Dec-05	16:14	BSTEINER	Call	getting buy side agrmnt in place (oc:Cedric R. Tollemache)

**Chukar Cherry Co.**

**Pamela Alexander Auld**

**(800)624-9544**

16-Nov-05	14:17	BSTEINER	Call	Left Msg (oc:Pamela Alexander Auld)
17-Nov-05	13:54	SMUNTNER	Call	Left message to see if received NDA (oc:Pamela Alexander Auld)
29-Nov-05	14:25	SMUNTNER		Sent email to follow-up on NDA (oc:Pamela Alexander Auld)

Beta Candy M&A - Status Detail

**No Interest after Materials**

**Conway Del Genio Gries & Co., LLC**

**Scott M. Silverman**

**(212)813-9027**

13-Dec-05	14:56	SMUNTNER	Email	Sent Beta Candy CIM (oc:Scott M. Silverman)
13-Dec-05	14:56	SMUNTNER	Email	Sent Beta Breath CIM (oc:Scott M. Silverman)
13-Dec-05	15:32	SMUNTNER	Call	Please call 212-813-9027 (oc:Scott M. Silverman)
28-Dec-05	09:59	BSTEINER	Call	Left Msg (oc:Scott M. Silverman)
4-Jan-06	16:06	BSTEINER	Call	Left Msg (oc:Scott M. Silverman)
24-Jan-06	11:50	BSTEINER	Other	too small for client (oc:Scott M. Silverman)

**Dare Foods Limited**

**John Dippell**

**(519)893-5500**

16-Nov-05	15:22	BSTEINER	Email	Sent Beta Candy NDA (oc:Eileen Carmichael)
17-Nov-05	09:18	SMUNTNER	Call	Left message as follow-up call for NDA (oc:Eileen Carmichael)
29-Nov-05	10:22	SMUNTNER	Call	Follow Up Beta Candy NDA- left message (oc:Eileen Carmichael)
				Left message
1-Dec-05	10:07	BSTEINER	Call	she is following up on NDA (oc:Eileen Carmichael)
6-Dec-05	09:00	BSTEINER	Call	Left Msg (oc:Eileen Carmichael)
12-Dec-05	12:14	SMUNTNER	Call	Left Msg (oc:Eileen Carmichael)
13-Dec-05	09:28	BSTEINER	Call	making some minor changes (oc:John Dipple)
13-Dec-05	10:24	BSTEINER	Email	Sent Beta Breath CIM (oc:John Dipple)
13-Dec-05	10:26	BSTEINER	Email	Sent Beta Candy CIM (oc:John Dippell)
28-Dec-05	10:01	BSTEINER	Call	Left Msg (oc:John Dippell)
4-Jan-06	16:09	BSTEINER	Call	ni - at this point (oc:John Dippell)
17-Jan-06	11:10	BSTEINER	Call	Follow Up Beta Breath CIM (oc:John Dipple)
17-Jan-06	11:10	BSTEINER	Call	Follow Up Beta Candy CIM (oc:John Dippell)
13-Jul-06	10:08	BSTEINER	Call	Left Msg (oc:John Dippell)

**Georgia Nut**

**Richard A. Drehabil**

**(847)324-3621**

16-Nov-05	15:56	BSTEINER	Email	Sent Beta Candy NDA (oc:Richard A. Drehabil)
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## Beta Candy M&amp;A - Status Detail

**No Interest after Materials**

16-Nov-05	18:07	BSTEINER	Email	Sent Beta Candy CIM (oc:Richard A. Drehabil)
29-Nov-05	14:24	BSTEINER	Call	Left Msg (oc:Richard A. Drehabil)
29-Nov-05	15:47	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Richard A. Drehabil)
30-Nov-05	15:56	BSTEINER	Call	NI - don't need capacity; ni in brands (oc:Richard A. Drehabil)

**Hospitality Mints LLC**

Allen Peterson

(800)334-5181

17-Nov-05	09:05	BSTEINER	Call	Left Msg (oc:Allen Peterson)
21-Nov-05	09:27	SMUNTNER	Email	Sent Beta Candy NDA (oc:Allen Peterson)
21-Nov-05	14:02	SMUNTNER	Other	Owned by ACAS (oc:Allen Peterson)
30-Nov-05	18:05	SMUNTNER	Other	Sent CIM- both (oc:Allen Peterson)
9-Dec-05	11:10	BSTEINER	Call	Bd mtg to discuss next week (oc:Allen Peterson) no on chocolate; maybe mints
4-Jan-06	16:12	BSTEINER	Call	Left Msg (oc:Allen Peterson)
4-Jan-06	16:25	BSTEINER	Call	ni- does not fit plan (oc:Allen Peterson)

**Nassau Confections**

Les Stier

(516)433-7100

17-Nov-05	11:35	BSTEINER	Call	Left Msg (oc:Les Stier)
18-Nov-05	10:20	BSTEINER	Call	Left Msg (oc:Les Stier)
18-Nov-05	12:06	BSTEINER	Email	Sent Beta Candy NDA (oc:Les Stier)
18-Nov-05	12:06	BSTEINER	Call	Returned your call 516-433-7100 (oc:Les Stier)
18-Nov-05	14:47	BSTEINER	Email	Sent Beta Candy CIM (oc:Les Stier)
18-Nov-05	14:48	BSTEINER	Call	Follow Up Beta Candy NDA (oc:Les Stier)
22-Nov-05	11:28	BSTEINER	Call	NI - staying away from the mass merch (oc:Les Stier) - looking more at gifts and higher margin opportunities
22-Nov-05	11:29	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Les Stier)

**Nestle Canada Inc.**

Rick Hayward

(416)218-2817

17-Nov-05	11:45	BSTEINER	Call	Left Msg (oc:Petraea Heynike)
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**Beta Candy M&A - Status Detail**

**No Interest after Materials**

29-Nov-05	15:03	BSTEINER	Call	Left Msg (oc:Rick Hayward)
30-Nov-05	13:39	BSTEINER	Call	Returned your call 416-218-2817 (oc:Rick Hayward)
30-Nov-05	13:41	BSTEINER	Email	Sent Beta Candy NDA (oc:Rick Hayward)
2-Dec-05	09:09	SMUNTNER	Call	Follow Up Beta Candy NDA- Left message w secretary (oc:Rick Hayward)
2-Dec-05	11:52	BSTEINER	Call	Left Msg (oc:Rick Hayward)
2-Dec-05	13:48	BSTEINER	Call	Please call 416-218-2817 (oc:Rick Hayward)
2-Dec-05	13:52	SMUNTNER	Email	Sent Beta Candy NDA (oc:Rick Hayward)
2-Dec-05	15:14	SMUNTNER	Email	Sent Beta Candy CIM (oc:Rick Hayward)
2-Dec-05	15:15	SMUNTNER	Email	Sent Beta Breath CIM (oc:Rick Hayward)
6-Dec-05		BSTEINER	Call	Left Msg (oc:Rick Hayward)
13-Dec-05	15:43	BSTEINER	Call	Left Msg (oc:Rick Hayward)
30-Dec-05	12:07	BSTEINER	Call	ni - looking more at health, wellness (oc:Rick Hayward)

**Pine Ridge Foods**

**Roger Dickhout**

**(905)458-8696**

23-Jan-06	10:49	BSTEINER	Email	Sent Beta Candy NDA (oc:Roger Dickhout)
24-Jan-06	10:57	BSTEINER	Call	Left Msg (oc:Roger Dickhout)
24-Jan-06	14:10	SMUNTNER	Email	Beta Brands CIMs (oc:Roger Dickhout)
24-Jan-06	15:41	BSTEINER	Call	Follow Up Beta Candy NDA (oc:Roger Dickhout)
24-Jan-06	18:42	SMUNTNER	Email	Beta Brands CIMs (oc:Roger Dickhout)
24-Jan-06	18:43	SMUNTNER	Email	Confectionery CIM (oc:Roger Dickhout)
24-Jan-06	18:43	SMUNTNER	Email	Panned Chocolate CIM (oc:Roger Dickhout)
24-Jan-06	18:44	SMUNTNER	Email	Breath Savers CIM (oc:Roger Dickhout)
9-Feb-06	10:34	BSTEINER	Call	Left Msg (oc:Roger Dickhout)
9-Feb-06	12:25	BSTEINER	Call	will talk next week (oc:Roger Dickhout)
27-Feb-06	13:55	BSTEINER	Call	ni in cracker business (oc:Roger Dickhout)

**Purdy's Chocolates**

**Karen Flavelle**

**(604)454-2777**

17-Nov-05	11:49	BSTEINER	Call	Left Msg (oc:Karen Flavelle)
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**Beta Candy M&A - Status Detail**

**No Interest after Materials**

17-Nov-05	12:02	BSTEINER	Email	Sent Beta Candy NDA (oc:Karen Flavelle)
18-Nov-05	11:44	SMUNTNER	Call	Left message to see if received NDA (oc:Karen Flavelle)
21-Nov-05	13:29	SMUNTNER	Call	604-454-2740 (oc:Karen Flavelle) page 2 point #10, What is the process?
22-Nov-05	18:48	SMUNTNER	Other	Sent NDA Back to US (oc:Karen Flavelle)
29-Nov-05	09:00	BSTEINER	Email	Sent Beta Candy CIM (oc:Karen Flavelle)
14-Feb-06	12:29	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Karen Flavelle)

**Rocky Mountain Chocolate Factory Inc**

**Bryan J. Merryman**

**(970)259-0554**

6-Dec-05		BSTEINER	Call	Left Msg (oc:Bryan J. Merryman)
13-Dec-05	15:45	BSTEINER	Call	Left Msg (oc:Bryan J. Merryman)
4-Jan-06	16:22	BSTEINER	Call	Left Msg (oc:Bryan J. Merryman)
6-Jan-06	13:20	BSTEINER	Call	ni (oc:Bryan J. Merryman)

**Sherwood Brands, Inc. LLC**

**Amir Frydman**

**(301)309-6161**

17-Nov-05	13:33	BSTEINER	Call	Left Msg (oc:Amir Frydman)
17-Nov-05	17:11	BSTEINER	Email	Sent Beta Candy NDA (oc:Amir Frydman)
17-Nov-05	17:38	BSTEINER	Email	Sent Beta Candy CIM (oc:Amir Frydman)
17-Nov-05	17:39	BSTEINER	Call	Follow Up Beta Candy NDA (oc:Amir Frydman)
29-Nov-05	14:42	BSTEINER	Other	NI in Beta (oc:Amir Frydman)
29-Nov-05	15:47	BSTEINER	Call	Follow Up Beta Candy CIM (oc:Amir Frydman)

**Tree of Life Gourmet Award Foods Canada**

**Jamie Moody**

**(905)507-6161**

17-Nov-05	14:20	BSTEINER	Call	Left Msg (oc:Jamie Moody)
23-Nov-05	15:02	BSTEINER	Call	send nda - both books (oc:Jamie Moody)
23-Nov-05	15:03	BSTEINER	Email	Sent Beta Candy NDA (oc:Jamie Moody)
28-Nov-05	10:17	SMUNTNER	Email	Sent Beta Candy CIM (oc:Jamie Moody)
28-Nov-05	10:18	SMUNTNER	Email	Sent Beta Breath CIM (oc:Jamie Moody)

**Beta Candy M&A - Status Detail**

**No Interest after Materials**

**Trophy Foods Inc.** **Bruce Permian** **(905)670-8050**

17-Nov-05	14:24	BSTEINER	Call	Left Msg (oc:Pat Borg)
23-Nov-05	14:32	BSTEINER	Email	Sent Beta Candy NDA (oc:Brian Paul)
29-Nov-05	10:53	SMUNTNER	Call	Follow Up Beta Candy NDA- Left message (oc:Brian Paul)
1-Dec-05	14:50	BSTEINER	Call	Left Msg (oc:Brian Paul)
6-Dec-05	09:02	BSTEINER	Call	Left Msg (oc:Brian Paul)
9-Dec-05	09:15	BSTEINER	Call	Left Msg (oc:Brian Paul)
13-Dec-05	09:37	BSTEINER	Call	Left Msg (oc:Brian Paul)
22-Dec-05	11:20	SMUNTNER	Other	Sent CIM- JR Janus (oc:Bruce Permian)

**Total of: 18**

**No Interest upon Initial Contact**

**American Licorice Company** **Tim Walsh** **(541)617-0800**

16-Nov-05	11:49	BSTEINER	Call	not looking at acquisitions (oc:Tim Walsh)
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**Ben Myerson Candy Company** **Robert Myerson** **(213)623-6266**

16-Nov-05	13:41	BSTEINER	Call	no interest (oc:Robert Myerson)
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**Farley's & Sathers Candy Company** **Don Stanners** **(415)357-9390**

17-Nov-05	09:09	BSTEINER	Call	Left Msg (oc:Craig Sakin)
17-Nov-05	15:34	BSTEINER	Call	Left Msg (oc:Don Stanners)

**Beta Candy M&A - Status Detail**

**No Interest upon Initial Contact**

17-Nov-05	17:07	BSTEINER	Call	strategy is non-chocolate only (oc:Craig Sakin)
1-Dec-05	10:13	BSTEINER	Call	Left Msg - re candy and bakery (oc:Craig Sakin)
1-Dec-05	17:47	BSTEINER	Call	probably no on confectionary - small, but send (oc:Craig Sakin)
3-Jan-06	15:17	BSTEINER	Call	lft msg re candy division (oc:Craig Sakin)

**Fresh Beginnings**

**Judith Hathcock**

**(229)242-0237**

16-Nov-05	15:42	BSTEINER	Call	ni - not a fit (oc:Judith Hathcock)
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**Houston's Peanuts**

**Houston Brisson**

**(910)862-2136**

17-Nov-05	09:12	BSTEINER	Call	NI - only peanuts (oc:David Cox)
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**HSD Partners**

**Nathan R. Gibb**

**(416)304-6581**

17-Nov-05	15:35	BSTEINER	Call	Left Msg (oc:Nathan R. Gibb)
22-Nov-05	17:07	BSTEINER	Call	ni (oc:Nathan R. Gibb)

**Joyco USA/Richardson Brands**

**Pietro Fenu**

**(800)839-8938**

1-Dec-05	11:05	BSTEINER	Call	Left Msg (oc:Pietro Fenu)
2-Dec-05	16:47	BSTEINER	Call	ni currently (oc:Pietro Fenu)

**Kathryn Beich, Inc.**

**Mike Holzworth**

**(309)828-1311**

17-Nov-05	09:35	BSTEINER	Call	Left Msg (oc:Mike Holzworth)
17-Nov-05	09:36	BSTEINER	Call	ni - purely outside manufacturers used (oc:Mike Holzworth)

**Koko's Confectionery & Novelty**

**Steve Kovens**

**(410)252-1020**

1-Dec-05	11:10	BSTEINER	Call	Left Msg (oc:Steve Kovens)
2-Dec-05	11:47	BSTEINER	Call	NI in Canada (oc:Steve Kovens)

## Beta Candy M&amp;A - Status Detail

**No Interest upon Initial Contact****Mountain Man Nut & Fruit Co****David D. Conner****(303)841-4041**

17-Nov-05	11:31	BSTEINER	Call	Left Msg (oc:David D. Conner)
17-Nov-05	12:06	BSTEINER	Call	NI - doing own panning - does not want to enter Canada (oc:David D. Conner) market - bad past experience

**Promotion in Motion Inc.****Michael Rosenberg****(800)369-7391**

1-Dec-05	11:08	BSTEINER	Call	Left Msg (oc:Michael Rosenberg)
5-Dec-05	10:42	BSTEINER	Call	Left Msg (oc:Michael Rosenberg) If you can't reach him on that number, try (201) 803-6660 or (609) 271-0601. These are both cell phone numbers.
6-Dec-05	13:56	BSTEINER	Call	Please call 732-560-8300 (oc:Michael Rosenberg) He will be at this number after 1:15 p.m.
6-Dec-05	13:59	SMUNTNER	Other	Wants Confectionery Book when Ready (oc:Michael Rosenberg)
6-Dec-05	16:54	BSTEINER	Call	NI after reviewing w/Canada contacts (oc:Michael Rosenberg)
3-Jan-06	15:19	BSTEINER	Call	Left Msg (oc:Michael Rosenberg)

**Quigley****Guy J. Quigley****(215)345-0919**

13-Dec-05	09:51	BSTEINER	Call	NI (oc:Guy J. Quigley)
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**Riddle's Sweet Impressions Inc.****Bill Agnew****(780)465-8085**

18-Nov-05	12:55	SMUNTNER	Call	No interest on initial contact (oc:Bill Agnew)
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**Russell Stover Candies****Thomas S. Ward****(816)842-9240**

17-Nov-05	12:03	BSTEINER	Call	Left Msg (oc:Thomas S. Ward)
21-Nov-05	10:50	SMUNTNER	Call	No interest (oc:Thomas S. Ward)

**Beta Candy M&A - Status Detail**

**No Interest upon Initial Contact**

<b>Southeast Equity Group</b>				<b>David Acquavella</b>	<b>(305)830-2200</b>
30-Nov-05	16:56	BSTEINER	Call	they were fishing - sent fax to Beta (oc:David Acquavella)	
<b>Spangler Candy Company</b>				<b>Dean Spangler</b>	<b>(419)636-4221</b>
17-Nov-05	13:38	BSTEINER	Call	ni - away from chocolate and ni in canada license (oc:Dean Spangler)	
<b>Stephany's Chocolates, Inc.</b>				<b>Ed Meade</b>	<b>(800)888-1522</b>
9-Dec-05	12:11	BSTEINER	Call	NI - not interested in any acquisitions (oc:Ed Meade)	
<b>Totally Chocolate</b>				<b>Jeff Robinson</b>	<b>(800)255-5506</b>
26-Jan-06	16:21	SMUNTNER	Call	Hung Up Upon Contact (oc:Jeff Robinson)	
<b>Zachary Confections</b>				<b>Jack Zachary</b>	<b>(800)445-4222</b>
17-Nov-05	14:36	BSTEINER	Call	Left Msg (oc:Jack Zachary)	
29-Nov-05	15:17	BSTEINER	Call	Left Msg (oc:Jack Zachary)	
1-Dec-05	13:31	BSTEINER	Call	Left Msg (oc:Jack Zachary)	
9-Dec-05	09:21	BSTEINER	Call	Left Msg (oc:Jack Zachary)	
13-Dec-05	09:49	BSTEINER	Call	Left Msg (oc:Jack Zachary)	
14-Dec-05	10:07	BSTEINER	Call	ni - not looking for expansion at this point (oc:Jack Zachary)	

**Total of: 19**

**Contact Attempted**

**Beta Candy M&A - Status Detail**

**Contact Attempted**

**Ann's House of Nuts Inc.** **Ann Zinke** **(301)317-0900**

16-Nov-05 11:51 BSTEINER Call Left Msg (oc:Ann Zinke)

**Anthony-Thomas Candy Company** **Joe Zanetos** **(614)274-8405**

16-Nov-05 11:53 BSTEINER Call Left Msg (oc:Joe Zanetos)

9-Dec-05 09:26 BSTEINER Call Left Msg (oc:Joe Zanetos)

**Astor Chocolate** **Erwin Grunhut** **(732)901-1000**

18-Nov-05 12:37 SMUNTNER Call Left Msg (oc:Erwin Grunhut)

**Bestsweet** **Richard Zulman** **(704)664-4300**

16-Nov-05 13:42 BSTEINER Call Left Msg (oc:Richard Zulman)

23-Nov-05 09:45 BSTEINER Call Left Msg (oc:Richard Zulman)

**Bimbo Bakeries** **Juan Muldoon** **(817)293-6230**

10-Feb-06 11:06 BSTEINER Call Left Msg (oc:Juan Muldoon)

**Bloomer Candy** **Bill Barry** **(800)452-7501**

16-Nov-05 13:50 BSTEINER Call Left Msg (oc:Bob Barry)

23-Nov-05 09:49 BSTEINER Call Left Msg (oc:Bill Barry)

**Bloomfield Bakers** **Bill Ross** **(562)594-4411**

6-Jul-06 14:30 BSTEINER Call Left Msg (oc:Bill Ross)



## Beta Candy M&amp;A - Status Detail

**Contact Attempted**

<b>Brach's Confections, Inc.</b>		<b>Teun DeVen</b>	<b>(423)899-1100</b>
16-Nov-05	13:54	BSTEINER	Call Left Msg (oc:Teun DeVen)
<b>Cadbury Adams Canada</b>		<b>David Sculthorpe</b>	<b>(416)590-5000</b>
30-Nov-05	15:13	BSTEINER	Call Left Msg (oc:David Sculthorpe)
<b>Candy Boyer Company</b>			<b>(814)944-9401</b>
16-Nov-05	14:10	BSTEINER	Call lft msg - president dies - family fighting (oc:Candy Boyer Company)
<b>Cherrydale Farms</b>		<b>Ross Cherry</b>	<b>(610)366-1606</b>
26-Jan-06	16:10	SMUNTNER	Call Left Msg (oc:Ross Cherry)
<b>Custom Chocolate</b>		<b>Paul Schmid</b>	<b>(651)646-3031</b>
18-Nov-05	12:48	SMUNTNER	Call Left Msg (oc:Paul Schmid)
<b>D.F. Stauffer Biscuit Co.</b>		<b>Beth Winters</b>	<b>(717)843-9016</b>
10-Feb-06	11:11	BSTEINER	Call Left Msg (oc:Beth Winters)
<b>Debrand, Inc</b>		<b>Cathy Brand-Beere</b>	<b>(260)969-8333</b>
16-Nov-05	15:27	BSTEINER	Call Left Msg (oc:Cathy Brand-Beere)
<b>Effem Inc.</b>		<b>Don Robinson</b>	<b>(905)857-5700</b>
16-Nov-05	15:29	BSTEINER	Call Left Msg (oc:Don Robinson)
23-Nov-05	10:02	BSTEINER	Call Left Msg (oc:Don Robinson)

**Beta Candy M&A - Status Detail**

**Contact Attempted**

29-Nov-05	14:45	BSTEINER	Call	Left Msg-back fri (oc:Don Robinson)
2-Dec-05	10:37	BSTEINER	Call	Left Msg (oc:Don Robinson)
6-Dec-05	15:10	BSTEINER	Call	Left Msg (oc:Don Robinson)
9-Dec-05	09:24	BSTEINER	Call	Left Msg (oc:Don Robinson)
13-Dec-05	09:41	BSTEINER	Call	Left Msg (oc:Don Robinson)

**Ferrero USA, Inc. Michael Gilmore (732)764-9300**

16-Nov-05	15:40	BSTEINER	Call	Left Msg (oc:Michael Gilmore)
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**Garuda Capital Corp. Juergen Wolf (604)737-0203**

16-Nov-05	16:40	BSTEINER	Call	Left Msg (oc:Juergen Wolf)
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**Gertrude Hawk Chocolates David Hawk (570)342-7556**

16-Nov-05	16:03	BSTEINER	Call	Left Msg (oc:David Hawk)
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**Golden Flake Snack Foods Inc Mark W. McCutcheon (205)323-6161**

10-Feb-06	10:59	BSTEINER	Call	Left Msg (oc:Mark W. McCutcheon)
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**Guittard Chocolate Co Gary Guittard (650)697-4427**

18-Nov-05	13:40	SMUNTNER	Call	Left Msg (oc:Gary Guittard)
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**Hershey Canada Inc. Bruce A. Brown (905)602-9200**

16-Nov-05	16:15	BSTEINER	Call	Left Msg (oc:Bruce A. Brown)
29-Nov-05	14:51	BSTEINER	Call	Left Msg (oc:Bruce A. Brown)
13-Dec-05	09:45	BSTEINER	Call	Left Msg (oc:Bruce A. Brown)

Beta Candy M&A - Status Detail

Contact Attempted

<b>Hillside Candy</b>				<b>Ted Cohen</b>	<b>(973)926-2300</b>
1-Dec-05	11:33	BSTEINER	Call	Left Msg (oc:Ted Cohen)	
<b>Hint Mint</b>				<b>Harley Cross</b>	<b>(213)622-6468</b>
18-Nov-05	13:46	SMUNTNER	Call	Out of town for 2 weeks- No access to vmail (oc:Harley Cross)	
30-Nov-05	13:55	BSTEINER	Call	Left Msg (oc:Harley Cross)	
13-Dec-05	12:32	SMUNTNER	Call	Left Msg (oc:Harley Cross)	
<b>House of Brussels Chocolates Inc</b>				<b>Grant Petersen</b>	<b>(713)599-0800</b>
30-Nov-05	16:34	BSTEINER	Call	Left Msg (oc:Grant Petersen)	
<b>Jelly Belly Candy Company</b>				<b>Herman Rowland</b>	<b>(707)428-2800</b>
26-Jan-06	16:25	SMUNTNER	Call	Left Msg (oc:Herman Rowland)	
<b>Just Born</b>				<b>Samuel Torrence</b>	<b>(800)445-5787</b>
26-Jan-06	16:18	SMUNTNER	Call	Left Msg (oc:Samuel Torrence)	
<b>Kraft Canada Inc.</b>				<b>Emanuel Waye</b>	<b>(773)617-2965</b>
17-Nov-05	09:38	BSTEINER	Call	Left Msg (oc:Emanuel Waye)	
28-Dec-05	09:47	BSTEINER	Call	Left Msg (oc:Emanuel Waye)	
<b>Krave's Candy Co.</b>				<b>Larry Finsson</b>	<b>(204)654-1361</b>
17-Nov-05	09:43	BSTEINER	Call	Left Msg (oc:Larry Finsson)	

Beta Candy M&A - Status Detail

**Contact Attempted**

<b>Lance Inc/Vista Bakery</b>				<b>Dean H. Fields</b>	<b>(704)554-1421</b>
10-Feb-06	10:53	BSTEINER	Call	Left Msg (oc:Dean H. Fields)	
<b>Laura Secord</b>				<b>James Audrey</b>	<b>(800)268-6353</b>
17-Nov-05	09:46	BSTEINER	Call	Left Msg (oc:James Audrey)	
29-Nov-05	14:57	BSTEINER	Call	Left Msg (oc:James Audrey)	
<b>Les Truffles</b>				<b>Steve Dobler</b>	<b>(403)241-1427</b>
18-Nov-05	13:50	SMUNTNER	Call	Referred to Steve Dobler/ Call on Monday (oc:Steve Dobler)	
21-Nov-05	11:42	SMUNTNER	Call	Left Msg with Secretary (oc:Steve Dobler)	
<b>Loretta Foods</b>				<b>Al Burgio</b>	<b>(905)828-1294</b>
17-Nov-05	10:22	BSTEINER	Call	Left Msg (oc:Al Burgio)	
13-Dec-05	09:47	BSTEINER	Call	Left Msg (oc:Al Burgio)	
<b>Morley Candy Makers</b>				<b>Ronald W. Rapson</b>	<b>(586)468-4300</b>
17-Nov-05	10:36	BSTEINER	Call	Left Msg (oc:Ronald W. Rapson)	
<b>New England Confectionery Company</b>				<b>Domenic M. Antonellis</b>	<b>(781)485-4500</b>
21-Nov-05	11:29	SMUNTNER	Call	Left Msg (oc:Domenic M. Antonellis)	
<b>Oliver's Candies</b>				<b>Bonnie</b>	<b>(585)343-5888</b>
18-Nov-05	13:54	SMUNTNER	Call	Left Msg (oc:Bonnie)	

**Beta Candy M&A - Status Detail**

**Contact Attempted**

<b>Peerless Confection Company</b>				<b>Richard Lyman</b>	<b>(773)281-6100</b>
13-Dec-05	09:55	BSTEINER	Call	Left Msg (oc:Richard Lyman)	
<b>Premiere Candy Company</b>				<b>Bob Molnar</b>	<b>(800)348-4067</b>
18-Nov-05	13:29	SMUNTNER	Call	Referred to Bob Molnar (oc:Bob Molnar)	
<b>Pretzels Inc.</b>				<b>Steve Huggins</b>	<b>(260)824-4838</b>
10-Feb-06	10:49	BSTEINER	Call	Left Msg (oc:Steve Huggins)	
<b>Purity Factories Limited</b>				<b>Doug Spurrell</b>	<b>(800)563-3411</b>
17-Nov-05	11:51	BSTEINER	Call	Left Msg (oc:Doug Spurrell)	
10-Feb-06	10:47	BSTEINER	Call	Left Msg (oc:Doug Spurrell)	
<b>Richmond Baking</b>				<b>Bill Quigg</b>	<b>(765)962-8535</b>
6-Jul-06	14:25	BSTEINER	Call	Left Msg (oc:Bill Quigg)	
<b>See's Candies, Inc.</b>				<b>Charles N. Huggins</b>	<b>(650)761-2490</b>
17-Nov-05	13:27	BSTEINER	Call	Left Msg (oc:Charles N. Huggins)	
<b>Setton's International Foods, Inc.</b>				<b>Joshua Setton</b>	<b>(631)543-8090</b>
17-Nov-05	13:30	BSTEINER	Call	Left Msg (oc:Joshua Setton)	
<b>Sun-Maid Growers of California</b>				<b>Barry F. Kriebel</b>	<b>(559)896-8000</b>
17-Nov-05	13:48	BSTEINER	Call	Left Msg (oc:Barry F. Kriebel)	

## Beta Candy M&amp;A - Status Detail

**Contact Attempted****SunOpta Inc.****Sergio Varela****(714)521-1002**

9-Dec-05	12:05	BSTEINER	Call	Left Msg (oc:Sergio Varela)
12-Dec-05	15:04	BSTEINER	Call	Returned your call 714-521-1002 X 100 (oc:Rhonda for Sergio Varela)
3-Jan-06	12:02	BSTEINER	Call	Left Msg (oc:Sergio Varela)
4-Jan-06	10:27	BSTEINER	Call	Left Msg (oc:Sergio Varela)
4-Jan-06	11:37	BSTEINER	Call	re beta (oc:Sergio Varela)

**SweetWorks****Philip Terranova****(716)634-4545**

17-Nov-05	13:52	BSTEINER	Call	Left Msg (oc:Philip Terranova)
30-Nov-05	13:51	BSTEINER	Call	Left Msg (oc:Philip Terranova)

**Topps Co. Inc****Kathy Jessup****(212)376-0300**

17-Nov-05	14:15	BSTEINER	Call	Left Msg (oc:Michael K. Murray)
18-Nov-05	17:07	BSTEINER	Call	speaking internally (oc:Kathy Jessup)
30-Nov-05	13:54	BSTEINER	Call	Left Msg (oc:Kathy Jessup)

**Tropical Nut & Fruit Co****Carolyn Bennett****(704)588-0400**

17-Nov-05	14:27	BSTEINER	Call	Left Msg (oc:Carolyn Bennett)
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**Waymouth Farms****Gerard S. Knight****(763)533-5300**

17-Nov-05	14:30	BSTEINER	Call	Left Msg (oc:Gerard S. Knight)
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**Webb Candy Inc./HIYA Mints****Alan Webb****(651)322-8201**

13-Dec-05	12:28	SMUNTNER	Call	Left Msg (oc:Alan Webb)
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Beta Candy M&A - Status Detail

**Contact Attempted**

William Wrigley Jr. Co.				Logen McDugal	(312)645-3418
13-Dec-05	10:30	BSTEINER	Call	Left Msg (oc:Logen McDugal)	
13-Jan-06	11:16	BSTEINER	Call	Left Msg (oc:Logen McDugal)	
18-Jan-06	14:10	BSTEINER	Call	Left Msg (oc:Logen McDugal)	
26-Jan-06	15:54	BSTEINER	Call	Left Msg (oc:Sebastian Seitoff)	
26-Jan-06	18:19	BSTEINER	Call	Left Msg (oc:Sebastian Siethoff)	
27-Jan-06	11:07	BSTEINER	Call	Left Msg (oc:Scott Thayer)	
1-Feb-06	12:21	BSTEINER	Call	speak to Chris Peddy (oc:Logen McDugal)	
1-Feb-06	12:33	BSTEINER	Call	Returned your call 312-645-3418 (oc:Logen McDugal)	
3-Feb-06	12:14	SMUNTNER	Call	Left Msg (oc:Chris Peddy)	
14-Feb-06	14:05	BSTEINER	Call	Left Msg (oc:Chris Peddy)	
17-Feb-06	13:47	BSTEINER	Call	ni in brand - potentially equipment (oc:Bill Zollinger) re: Breath savers	

Willmar Cookie & Nut Co				Michael E. Mickelson	(320)235-0600
17-Nov-05	14:33	BSTEINER	Call	Left Msg (oc:Michael E. Mickelson)	

Total of: 51

**Contact Planned**

Bimbo Bakeries				Juan Muldoon	(817)293-6230
10-Feb-06	11:06	BSTEINER	Call	Left Msg (oc:Juan Muldoon)	

January 04, 2007 - 3:24:31PM

## Beta Candy M&A - Status Detail

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### Contact Planned

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<b>de Hoogh Chocolates</b>	<b>Gerard de Hoogh</b>	<b>(403)313-2471</b>
21-Nov-05 13:55 SMUNTNER Call	Continual Busy Signal (oc:Gerard de Hoogh)	
<b>Pearson's Candy Company</b>	<b>Larry Hassler</b>	<b>(651)698-0356</b>
13-Dec-05 09:59 BSTEINER Call	Left Msg (oc:Larry Hassler)	
<b>Primrose Candy Co Inc</b>	<b>Jeffrey F. Puch</b>	<b>(773)276-9522</b>
30-Nov-05 18:32 SMUNTNER Other	Panned/Hard Candies & Mints (oc:Jeffrey F. Puch)	

Total of: 4

Total Contacts: 131





# **Appendix B**

**Jeffrey J. Simpson**

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**From:** Rob Neable [rneable@betabrands.com]  
**Sent:** January 4, 2007 6:02 PM  
**To:** Jeffrey J. Simpson  
**Cc:** Hartley\_Bricks@mintzca.com  
**Subject:** FW: Arcor

FYI

Rob Neable, CMA  
Vice-President of Finance  
Beta Brands Limited  
Phone 519-455-2250 ext 218  
Cell 519-808-7267  
Fax 519-455-1449

-----Original Message-----

**From:** Barry E. Steiner [mailto:bsteiner@capitalinklc.com]  
**Sent:** January 4, 2007 5:45 PM  
**To:** Rob Neable  
**Subject:** Arcor

I initially met with Arcor in Germany at the Candy Show. I was informed that - before we were retained - Arcor had made an offer for the entire company and upon initial due diligence the offer was cut in half. This led to Arcor not having any credibility with Sun Capital.

They orally indicated a \$1mm - \$1.2mm offer for both Breathsavers and McCormicks after we forwarded extensive data. Subsequently, Gustavo Badino would call intermittently asking what we are willing to take for the entire business - I asked that he provide an offer of some kind and we would respond. He never provided a written offer and indicated they might discuss \$3mm for the entire company. Again, this was not in writing and before any due diligence.

I would not classify any discussions with Arcor as "negotiations." In my experience with similar situations, I sensed that they were simply fishing and hoping to pick up assets as cheaply as possible.

Barry E. Steiner  
Capitalink, L.C.  
Smart Investment BankingR

A subsidiary of Ladenburg Thalmann Financial Services Inc.

bsteiner@capitalinklc.com  
<http://www.capitalinklc.com> <http://www.smartinvestmentbanking.com>

One Alhambra Plaza, Suite 1410  
Coral Gables, FL 33134  
Tel: 305-446-2026 - Fax: 305-446-2926

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In addition, all e-mail sent and received by us are subject to review by our compliance department. We may retain and reproduce any e-mail for federal, state or other regulatory agencies as required by applicable law.

Furthermore, the contents of any attachment to this e-mail may contain software viruses that could damage your computer system. While we have taken reasonable precautions to minimize this risk, we shall not accept liability for any damages which you sustain as a result of such software viruses. You should prudently carry out your own virus screening checks before opening any attachments.

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# Appendix C



Ralcorp Holdings, Inc.

P.O. Box 618  
St. Louis  
Missouri 63188-0618

March 21, 2006

**SENT VIA FAX: 305-446-2926**Capitallink  
One Alhambra Plaza, Suite 1410  
Doral Gables, FL 33134  
Attn: Steven B. Mintor

Dear Mr. Mintor:

Re: Beta Brands Limited (the "Company")

Ralcorp Holdings, Inc. ("Ralcorp," "we," "us," or "our") is submitting a bid for certain assets of the Company. We firmly believe any due diligence review can be completed within thirty (30) days of your acceptance of our bid (hereinafter the "Due Diligence Period"). The following sets forth our proposal subject to satisfaction of all terms and conditions set forth herein:

1. Ralcorp is willing to purchase certain Assets (defined below) of the Company's bakery business for \$3 million USD (the "Purchase Price"). The Purchase Price shall be paid by Ralcorp (or one of its affiliates) in cash on the Closing Date (defined below). We will not need a financing contingency.

2. On the Closing Date, the Company shall sell, transfer, assign and convey to us or our assigns, all of the Company's right, title and interest in and to the tangible assets, and those intangible assets of the Company, wherever located, that are used (or held for use) primarily in the packaging and production of the bakery products produced by the Company (the "Products"), including by way of illustration and not limitation, all of the following assets, whether now owned or existing, or heretofore or hereafter acquired or arising (the "Assets"):

- (i) all equipment other than the ovens including by way of illustration and not limitation, all packaging equipment, together with all ancillary equipment, dryers, conveyors, parts, enhancements, tooling, dies, replacement parts or components; Ralcorp assumes that all equipment to be purchased is owned by the Company;
- (ii) all processes, recipes, formulations, manufacturing processes, ingredient lists, specification sheets, quality control specifications, patents and patent rights used (or held for use) in producing the Products and all other processes, patents and patent rights, patent registrations, licenses, patent applications used (or held for use) by the Company in the production of the Products registered for the use and/or benefit of the Company in the production of the Products, and the goodwill attached thereto and all renewals of the foregoing, together with all rights corresponding thereto throughout the world, including all income and royalties, together with full right to sue for and recover all damages and profits recoverable for infringements of such marks, and all intellectual property rights and all other

RFL 2011A 9810

proprietary information of the Company that are used primarily in the production of the Products, including but not limited to trade secrets;

- (iii) all trademarks (registered and unregistered), common law and/or statutory copyrights and copyright registrations covering materials, bulletins, advertisements, articles, literary rights, promotional brochures, advertising slogans, programs or formats used (or held for use) or utilized (or held for use) primarily in the production of the Products;
- (iv) all documents, customer lists, mailing lists, process documents, customer files, customer order files, customer invoices, reports, analysis, correspondence, credit files, credit reports and historical data and contract rights relating to the Products;
- (v) all photographs, labels, packaging designs, artwork, film, microfilm, graphics, micrographics, drawings, blueprints, reports, catalogs, promotional brochures, bulletins, advertisements and computer programs and software employed by the Company with respect to the sale of its Products;
- (vi) all books, files (in whatever form), records (in whatever form), vendor correspondence and documents used by the Company with respect to the sale and manufacture of its Products, including the file cabinets containing such books, files, records, vendor correspondence and documents; and
- (vii) all claims or causes of action in which the Company is plaintiff and to the extent relating to the Products produced by the Company.

3. On the Closing Date, the Company shall sell, transfer, assign and convey the Assets to Ralcorp free and clear of all restrictions on or conditions to transfer or assign, and free and clear of all security interests, liens and pledges, charges, encumbrances, conditions, restrictions, brokerage fees or agent commissions, equities and other defects or claims (except as may be specifically permitted by Ralcorp in writing), which security interests and liens shall attach to the proceeds of sale of the Assets to Ralcorp. On the Closing Date, the Company shall assume and assign to Ralcorp such executory contracts designated by Ralcorp that are necessary to transfer and assign the Assets to Ralcorp.
4. The Company shall retain all liabilities associated with the business prior to the Closing Date.
5. Transfer of the Assets to Ralcorp shall be by such bills of sale, assignments and other instruments of transfer as shall be in form and substance satisfactory to counsel for Ralcorp and the Company, which instruments and documents shall be sufficient to unequivocally sell, transfer, assign and convey good and marketable title to all of the Assets to Ralcorp or its assigns;
6. The obligation of Ralcorp to purchase the Assets from the Company and of the Company to sell the Assets to Ralcorp shall be subject to the execution by Ralcorp of a definitive purchase agreement in form and substance satisfactory to each of the parties hereto, including representations and warranties, customary conditions precedent, release of liens



and payment of amounts due under capital leases, noncompetes and nonhire provisions as post closing covenants, and other provisions reasonably necessary to implement this letter in all respects.

- 7. The "Closing Date" as used herein shall be a date selected by the Company and Ralcorp, which shall not be more than three (3) business days after the satisfaction of all conditions precedent to the closing as identified herein and in the purchase agreement contemplated hereby.
- 8. This letter is not a definitive purchase agreement for the purchase of the Assets. The respective rights and obligations of Ralcorp and the Company remain to be defined in the definitive purchase agreement, into which this letter will be merged. Ralcorp shall be entitled to assign its right to purchase any portion of the Assets to one or more affiliated entities.
- 9. In order to induce us to proceed with our proposal, we require that the Company grant Ralcorp a period of time to pursue the transaction on an exclusive basis. Therefore, the Company and Ralcorp hereby agree to an "Exclusivity Period" that will begin on the date this letter of intent is accepted by the Company and will end at the close of business forty-five (45) days thereafter. During the Exclusivity Period, the Company and its affiliates agree that neither the Company nor any of its officers, directors, affiliates, representatives or agents (each, a "Representative") will directly or indirectly (i) submit, solicit, initiate, encourage or discuss any proposals or offer from any person relating to the sale, assignment, or other disposition of the Assets, (ii) enter into any agreement or commitment related to any such transaction, (iii) furnish any information to or otherwise assist any person with respect to the foregoing, or (iv) discuss the terms of this letter with any person other than the Company's Representatives. The Company and its Representatives shall immediately terminate all discussions with any third parties regarding the Assets. The Company confirms that this letter agreement does not conflict with or violate the terms of any agreement between the Company and any third party regarding the transactions contemplated herein.
- 10. Each party to this letter agreement shall be responsible for and pay any and all expenses incurred by it in connection with this letter agreement.
- 11. The Company will not solicit for hire any employee Ralcorp employs at closing. However, the Company reserves the right to hire any employees terminated by Ralcorp.
- 12. The Company will commit to a five-year non-compete on bakery products produced or sold in the United States or in Canada.
- 13. On the Closing Date, the Company shall sell, transfer, assign and convey to Ralcorp or assigns, all of the Company's right, title and interest in and to its finished Product inventory, which shall be sufficient to meet the Company's firm and anticipated orders for finished Product during the ten (10) to twelve (12) week period following the Closing Date as mutually agreed upon between the parties. Ralcorp will reimburse the Company for its cost to manufacture the goods as well as all costs associated with the transportation

(8 weeks)  
↓  
buy 500,000

out to Dec 5

• sell inventory OGC at end of deal

of the finished Product inventory from the Company's Canadian facility to a Ralcorp designated location in the United States.

- 14. At closing, \$200,000 of the purchase price shall be retained for eighteen (18) months and used to offset customer deductions after closing related to the preceding matters. Any portion unused at the end of such time shall be paid to the Company.

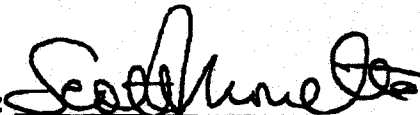
Negotiation of a definitive purchase agreement shall take place during the Exclusivity Period. During negotiation of a definitive purchase agreement, Ralcorp and its agents will expect to be entitled to conduct further due diligence reviews of the Assets, including review and inspection of the Assets, liabilities, books, operations and records (excluding personnel records) of the Company; provided such access does not unreasonably interfere with the operations of the Company.

Ralcorp is prepared to proceed immediately with this cash proposal. I have instructed Ralcorp's counsel to work with you and your counsel to prepare the required papers to implement our proposal as soon as possible. Other than sections 9 and 10 (which are legally binding on Ralcorp, the Company and its Representatives, and the successors and assignors of the foregoing), this letter agreement is not intended to be a binding agreement.

In the event you wish to discuss this proposal, please contact: Scott Monette, Corporate Vice President and Treasurer, at 314-877-7113.

Very truly yours,

RALCORP HOLDINGS, INC.

By: 

Name: Scott Monette  
Title: Corporate Vice President and Treasurer

Agreed to and Accepted By:

BETA BRANDS LIMITED

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_