Siena Development

OMG!oats Overnight Oats Revised

To:
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Welcome to Siena Development

In this proposal, we describe the steps essential to develop your product to the point of readiness for commercial manufacturing. Our team will undertake the creation of formulations that align with your goals.

Our experience in product development ranges from nurturing tiny start-ups to partnering with Fortune 500 companies. We understand and appreciate that your product is as unique as you are. For Siena Development there is no such thing as “One Size Fits All”. We listen to your needs and goals to tailor each development project to meet its unique parameters.

To ensure clear communication, we schedule time to talk with you throughout the process as we work together toward success. Please know we have developed other products in your product sector, and have overcome issues that relate to flavor, consistency, shelf-life, allergens, and packaging, to name a few. As part of Siena's contracted service/s, we source from dependable suppliers of commercial ingredients, we see that your products will scale properly for commercial production, and we strive to obtain the most cost-effective processing.

The Siena Team members appointed to head your project will remain your point of contact, throughout. We find this is the best way to maintain steady progress and to arrive at sound decisions in all areas of the process. Siena is proud to be an affiliate of the Cornell Institute for Food Systems - Industry Partnership Program.

CIFS CORNELL INSTITUTE FOR FOOD SYSTEMS
Synergistic Thinking. Innovative Food Solutions.

Our reputation thrives on quality referrals and references. Your process is highly confidential, and we keep it that way. If ever we discuss a client, it is only with their knowledge and their consent. References are available at your request and only with the permission of our clients. If you would like references, please let us know and we will provide them.

Thank you for giving Siena Development Group the privilege of contributing to your success. We look forward to working with you!

Project Description

The purpose of this project is to assist in the commericalization of 3 SKUS OMG! Oats (overnight oats) . Siena will provide samples, consulting services, testing, and industry paperwork. Services proposed are based on Client's submitted Recipe Intake Form.

Description of Services

For hourly consulting services, hours expended will be reported to Client periodically throughout the process. Client may request additional hours at a cost consistent with pricing in this proposal.

Recipe Development

This process establishes the commercialization and stabilization of your product. Includes formula adjustments to address any issues which may include: taste, color, product consistency, food safety, shelf life, and any other areas requiring adjustment.

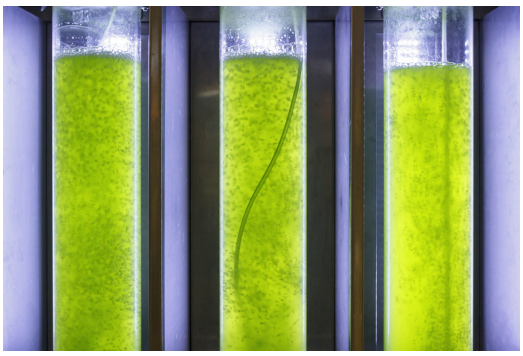
Samples Creation

Includes production of physical product samples to address the character and properties of the formula across multiple Rounds of samples. Each Round of samples is designed to address the levels of complexity in the flavor profile and functionality of the product.

Initial Sample Creation is based on Client’s product samples, if provided, and on Client’s submitted Recipe Intake Form. Adjustments and/or alterations required will be addressed in subsequent Rounds, based on Client's detailed feedback.

The shipping cost for samples is passed through to the Client and paid via Client's preferred carrier account.

Scientific Consulting



This service may include the following, based on Client need and hours purchased:

- Shelf life extension
- Stability issues or concerns
- Pathogen control or spoilage concerns
- Production process and/or packaging needs
- Meeting nutritional goals or claims
- Mouthfeel and/or texture issues
- Flavor development issues or concerns
- Adjusting formula to compensate for undesirable flavor components (such as bitterness, aftertaste, etc.)

Scientific Consultations are conducted via phone, video conference, and/or email.

Logistics Support

This service may include the following based on Client need and hours purchased:

- Location of commercial ingredient sources/suppliers
- Sourcing commercial suppliers that are compliant with desired claims (e.g. organic, Kosher, etc.)
- Review of supplier documents to ensure traceability and compliance
- Consulting on co-packing procedure
- Identifying and interfacing with an FDA/USDA licensed COVID compliant co-packer
- Quantities review
- Product acquisition feasibility
- Ingredient sourcing
- Procurement or facilitation of the organization of transportation and/or shipping details and schedules
- Assistance with any additional logistics of co-packing run

Logistics Consultations are conducted via phone, video conference, and/or email.

Nutritional Panel

Creation of FDA-compliant Nutritional Panel for each SKU.

USDA/FDA Compliant Documents

In order to maintain food safety and legal compliance, certain documents are required for commercial production. Siena will create these documents specifically for your product. Depending on the parameters of your final formulation, we will create either a USDA compliant Hazard Analysis and Critical Control Points (HACCP) document or draft a Scheduled Process for validation (which is then sent to a Process Authority for final validation).

Scalable Batch Sheet

Prepared as an Excel file for use in planning commercial production: any adjustments in the batch size produces corresponding and proportional adjustments in the quantity needed of each ingredient. It allows you to adjust the batch size easily and see the corresponding change in quantity needed of each ingredient. Ancillary benefits: facilitates budgeting and profit margin calculation.

Lab Systems Maintenance

Every project requires specific, time-consuming protocols to be performed repeatedly during a project. They include, but are not limited to:

- GMP compliant cleaning protocols
- COVID-19 preventative cleaning & safety protocols

Calibration of all instruments, measurement tools, scales, heaters, thermometers, gauges, etc.

Pricing

Based on RIF submitted on 2/26/21

Name	Quantity	Price	Total
Development			
Recipe Analysis & Development- hourly rate - 1 SKU - 1 Hour Per SKU	1	$350	$350
This process establishes the method to commercialize and stabilize your recipes. Siena identifies and presents alternative ingredients and processes relating to preparation and production that may serve to reduce ingredient cost, eliminate or combine steps in the production process and identify other opportunities for changes that impact the total cost of your recipes when they enter commercial production.			
Ingredient Sourcing - hourly rate	4	$325	$1,300
Assistance with locating appropriate commercial ingredient suppliers for your product needs and requesting samples for development purposes.			
Sample Creation - hourly rate - 1 SKU	10	$350	$3,500
Creation of product samples, for tasting or development purposes. Not for resale. Client offsite. Shipping charges additional			
Consulting			
Logistics Consulting	3	$325 / 1	$975
Assistance with logistics of co-packing run. May include: interfacing with co-packer; mathematical review and adjustment of batch size; reviewing ingredients, quantities, and supply chain; procuring ingredients or organizing shipping details; or other tasks as requested by client, up to the number of hours purchased.			
Executive and Scientific Consulting - hourly rate	1	$450	$450
Clients will interact as needed with their Lead Scientist on workable solutions to any issues that arise, on recommended improvements to the recipe and/or the process and/or on options relevant to the required Production and Fill Methods to maintain product integrity. Scientific Consultations are conducted via phone, video conference and/or email. If additional hours are needed beyond those purchased, client may purchase additional hours.			
Document Creation			
Nutritional Panel	1	$450	$450
Creation of FDA-compliant Nutritional Panel for 1 SKU food or beverage product.			

Name	Quantity	Price	Total
HACCP	1	$1,300	$1,300
Creation of USDA compliant Hazard Analysis and Critical Control Point (HACCP)			
Batch Sheet	1	$350	$350
Scalable Batch Sheet for use in planning commercial production batches. Allows you to easily adjust the batch size, and see the corresponding quantity needed of each ingredient. Excel file.			
Bar Code	1	$35	$35
Covid-19			
Lab Systems Maintenance - COVID compliance	1	$500	$500
Covers extra costs incurred due to COVID compliance cleaning procedures and staffing protocols			
		Total	**$9,210**

Payment Schedule

Payment is made according to the following schedule:

1. Non-refundable Deposit of $4,000 is due upon signing, before start of work.
2. Second Payment of $2,605 is due four (4) weeks from Project Commencement.
3. Final Payment of of $2,605is due eight (8) weeks from Project Commencement.

Client will be kept apprised of usage of allotted hours in all service categories. Completion occurs at such time as Siena has fulfilled the hourly services allotments purchased by Client as described in this proposal. Payment is accepted as a check or electronic bank transfer. Additional hours may be purchased as needed.

Additional Information

- This quote is valid for 30 days. Expired pricing cannot be guaranteed.
- Additional consultation hours, if needed, will be billed at the rates quoted in the proposal.
- Hourly rates listed are current as of the proposal date. Prices are subject to change and cannot be guaranteed for more than 3 months from the date of acceptance of proposal.
- Third Party Lab costs, if needed, are billed separately. An estimate of such costs will be provided for Client's approval. All shipping and travel costs, if any, are billable to Client. Payment is due upon receipt of invoice.
- If any ingredient or component for development is unobtainable as a free sample and must be purchased, Client will be billed for the cost of the ingredient, as well as a $25 courier fee (if applicable). Payment for such ingredient(s) is due upon receipt of invoice.
- Late payments (made more than 3 days after invoice due date) incur a late charge of 3% or $5 (whichever is greater). If an invoice remains unpaid 30 days from the original due date, an additional late charge of 2% or $5 (whichever is greater) will be assessed for every month the invoice remains unpaid.
- Work Product Ownership
- "Product Formula" means the final proprietary product recipe. Product Formulas that result from the performance of these Services shall be proprietary to the Client, and shall be the intellectual property of the Client.
- "Ingredient" means any component or element within a Product Formula. In accordance with industry standards, any Ingredient produced by Siena shall remain the sole intellectual property of Siena. Ingredients will be purchased at Fair Market Value from Siena.
- "Discovered Work" means to create a new process or method of preparing, handling or processing Ingredients or the Formula. Client agrees that any Discovered Work by Siena shall be the intellectual property of Siena.
- Siena will not provide Client any legal advice in connection with this

engagement or the Product Development Services and Client has been advised to seek, and Client is solely responsible for, obtaining appropriate legal counsel to advise Client with respect to any legal issues that may arise from time to time during the course of this engagement, including, without limitation, with respect to clearance, registration and protection of any intellectual property associated with products developed for the Client and any legal issues affecting or relating to Client's business and operations (collectively, "Client's Legal Issues"). Siena hereby disclaims any and all responsibility in connection with Client's Legal Issues and Client expressly acknowledges and agrees that it will not seek to hold Siena responsible, therefore.

- During the term of this Agreement, and for a period of five (5) years immediately thereafter, Client agrees not to solicit any employee or independent contractor of Siena on behalf of any other business or enterprise, nor shall Client induce any employee or independent contractor associated with Siena to terminate or breach an employment, contractual or other relationship with Siena.
- Any refunds shall be given as credit toward other services provided by Siena.
- This Agreement is to be construed pursuant to the laws of the State of New York. Client agrees to submit to the jurisdiction and venue of any court of competent jurisdiction in the state of New York without regard to conflict of laws or provisions, for any claim arising out of this Agreement.
- Once signed, this agreement can be amended in writing, only if signed by both parties.

Additional Services

- In addition to the services described in this proposal, we have extensive experience offering the following, which may be of use to you at a later date:
- Shelf life studies
- Organoleptic studies
- “Unique” flavor creation
- Adaptation of products for alternative processing
- Pilot runs for certification
- Production of samples for sale
- Bench top production
- Commercial Kitchen adaptation
- Liquid/Concentrate conversion
- Custom ingredients or blends