

September 9, 2011

Dear Customer:

Earlier this year, Nestlé HealthCare Nutrition introduced the first phase of the CARE Initiative – **Collaboration, Advancement & Results Enhancement**. Through this initiative, Nestlé is making a series of significant investments in the HealthCare Nutrition business over the next two years. These investments will provide a foundation for future innovation and help us meet evolving industry, customer, and patient needs.

September 1st marks the introduction of the second phase of our CARE Initiative: Phase 2 (Fall 2011). The goals of conducting this in phases include being able to provide you with as much advance notice of changes as possible, while simultaneously assuring continuity of product supply. When completed, the CARE Initiative will result in the enhancement of nearly all of Nestlé HealthCare Nutrition's packaging to provide unified solutions and a consistent "look and feel" for our product portfolio.

This letter provides you with an overview of the changes the CARE Initiative will bring to our packaging, products, and processes, **with particular focus on the enhancements that will take place during Phase 2 –related to the products that will begin shipping between November 1, 2011 and December 31, 2011**. As you will note, Phase 2 focuses primarily on our medical device portfolio.

We continue to be committed to providing you with thorough, well-coordinated communication in advance of each transition phase, as well as the dedication of our entire sales team to address any questions or concerns you may have. **Our dedicated website:** CareInitiative.com, is available as a resource for all relevant information and real-time updates.

Should you have any questions about the enclosed information, please contact your sales representative. You may also call Nestlé HealthCare Nutrition's CARE Initiative hotline at 1.800.315.9801 or use the "Contact Us" section of the CareInitiative.com website for direct feedback on questions.

Sincerely,



Roy Reed
Vice President of U.S. Institutional Sales
Nestlé HealthCare Nutrition

Enclosures:

Product Cross Reference
Product Specification Sheet
Summary of CARE Initiative Phase 2 (Fall 2011)

Nestlé HealthCare Nutrition Overview of CARE Initiative Phase 2 – Fall 2011

Package Changes

The packaging changes for Phase 2 incorporate the following updates:

- **Consistent Labeling:** We are unifying our administration sets, feeding tubes and universal “y” adapters under a consistent label design. These visual enhancements are intended to help our healthcare partners, caregivers and their patients easily locate important information.
- **Expiration Dating of Three Years:** To maintain consistency of product quality and safety updates, the expiration date (shelf life) will be noted on all disposable medical device products, excluding pumps, as three years. This date is clearly marked on feeding tube, administration set and universal “y” adapter product labeling.
- **Lot Code Displayed on Administration Sets:** All administration sets will display lot code information on an attached tag to facilitate better product identification and quality assurance.

The changes described above will take effect with shipments beginning November 1, 2011. For more details on the package changes occurring in Phase 2 of the CARE Initiative, refer to the enclosed Summary of CARE Initiative Phase 2 (Fall 2011).

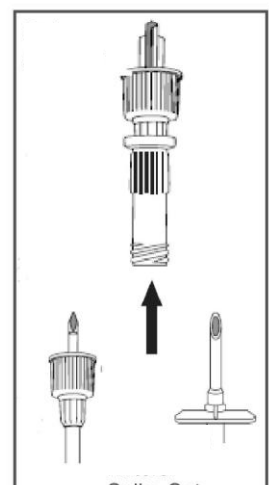
Product Changes

Through the introduction of the SpikeRight® PLUS design on our closed system products, Nestlé is continuing its commitment to enhanced patient safety. The SpikeRight PLUS system is the first commercially available proximal end enteral connection system uniquely designed to be incompatible with I.V. systems. Over the course of the next six months, Nestlé will announce more details regarding the incorporation of this advancement into all of our closed system products. To prepare for the rollout of our new SpikeRight PLUS closed system containers, we are introducing the following new product:

Enteral Spike Adapter with SpikeRight® PLUS Connector (Expected In-Market Date: November 2011)

This new adapter converts enteral pump sets with either a universal or SpikeRight spike to a connector compatible with the SpikeRight PLUS port. The illustration demonstrates how the adapter works and the table on the next page provides ordering details about this new product.

Enteral Spike Adapter with SpikeRight PLUS Connector



Enteral pump set with SpikeRight or universal spike

Product Description	Product Code (Formerly Item Number)	Case UPC (GTIN)
Enteral Spike Adapter with SpikeRight® PLUS Connector*	12163246	10043900106622

**If you purchase your products through a distributor, please contact your distributor for a specific price quote. Prices are subject to distributor mark-up. Please contact your sales representative, Customer Service, or your distributor if you have any questions on product availability. In-market dates for products purchased through a distributor are subject to change.*

With the introduction of the new adapter, at a later date we also will discontinue our current Enteral Spike Adapter for use with SpikeRight® ports. To help assure a smooth transition, your sales representative will give you further guidance in the coming months regarding discontinuation timing and inventory management of this product.

Discontinued Products with Suggested Substitutes (Expected Last Ship Date: October – December 2011)

Due to insufficient customer demand, we will be discontinuing our ARGINAID® Lemon and BOOST® Butterscotch pudding flavor offerings. We suggest customers use the other flavor options for each of the respective formulas. You will be given further guidance in the coming months from your sales representative regarding inventory management of these products.

In addition, as communicated previously, with the launch of IMPACT® PEPTIDE 1.5, formula, we will be discontinuing IMPACT® 1.5 and CRUCIAL® formulas by the end of 2011.

Please contact your sales representative, Customer Service, or your distributor if you have any questions on product availability. Final ship dates for products purchased through a distributor are subject to change. Please reference the table below for updated information regarding expected last ship dates for these discontinued products.

DISCONTINUED ITEMS				SUGGESTED SUBSTITUTE(S)		
Product Description	Product Code	Case UPC (GTIN)	Expected Last Ship Date	Product Description	Product Code	Case UPC (GTIN)
ARGINAID®,Lemon 56 x 0.32 oz packets	35985000	10043900359851	Sept 2011	ARGINAID® Cherry 56 x 0.32 oz packets	35984000	10043900359844
				ARGINAID® Orange 56 x 0.32 oz packets	35983000	10043900359837
BOOST® Pudding, Butterscotch 12 (4x142g)	09470300	00041679947036	Nov 2011	BOOST® Pudding, Chocolate 12 (4x142g)	09460300	00041679946039
				BOOST® Pudding, Vanilla 12 (4x142g)	09450300	00041679945032

DISCONTINUED ITEMS				SUGGESTED SUBSTITUTE(S)		
Product Description	Product Code	Case UPC (GTIN)	Expected Last Ship Date	Product Description	Product Code	Case UPC (GTIN)
CRUCIAL® 24x250mL	9871616280	00798716162807	Dec 2011	IMPACT® Peptide 1.5 24x250mL	4390097400	10043900974009
IMPACT® 1.5 24x250mL	35890000	10043900358908	Nov 2011			
CRUCIAL® UltraPak® 6x1000ml	9871626284	10798716262849	Dec 2011	IMPACT® Peptide 1.5 UltraPak® 6x1000mL	4390097371	10043900973712

For more details on all of the changes described in this “Product Changes” section, please refer to these enclosures:

- Product Cross Reference
- Product Specification Sheet
- Summary of CARE Initiative Phase 2 (Fall 2011)

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