



Subject: Pandemic Support Plan

September 2009

In the event of an Influenza Pandemic, Swish has identified a number of steps it will implement to ensure that we are capable of providing the highest levels of customer service on a sustained basis to our customers under this type of circumstance. Our Pandemic Support Plan has been communicated to every employee in our organization. Our employees have been provided with training materials and guidelines to understanding an Influenza Pandemic and Personal Preparedness.

Distribution Flexibility: Swish has implemented a strategy of servicing its customer base from twelve (12) geographically positioned distribution Centres located throughout Ontario, Manitoba, Nova Scotia and the New England states.

All Swish Distribution Centres operate under the same business model with the resulting benefit that personnel can be transferred from branch to branch and require little to no training in the performance of similar duties.

It is unlikely that an influenza pandemic would strike all of our locations at one time. Should a pandemic strike one or more of our locations, we are capable of either shifting the servicing and shipping of a customers needs to another location or moving selected personnel from an unaffected location to affected location for the purpose of maintaining service to our customers.

Personnel Capability: Swish personnel are cross trained in a variety of tasks. As an example, over 40% of our field account representatives have come up through our ranks and are capable of trading in their 'briefcases' for a more hands on role in their previous positions should the need arise.

Over 35% of Swish's payroll is comprised of sales, marketing and operations personnel most of whom have functioned at various levels within our organization prior to their present roles. The net result is that a very large part of our team is capable and willing to participate in the day to day operational functions necessary to maintain customer service levels to our clients.

Inventory Support: Swish manages over \$8,000,000.00 of inventory which is managed through twelve distribution centres that comprise over 250,000 square feet. Swish is an active member of Balpex which is an industry buying group that represents over one billion dollars in buying power. Swish has been honoured with Balpex's Janitorial/Sanitation supplier of the year award two times in the past three years. We have positioned multiple suppliers for like commodities in different geographic locations which gives us geographic sourcing flexibility that we believe will be important in a pandemic environment. In most cases, Swish is either our vendors largest or one of their largest distributors. This buying leverage combined with excellent long standing relationships enables us to provide additional service privileges to our customers.

Delivery Control: To provide control and added service benefits for our customers, we own and manage a fleet of delivery vehicles that range in size from regular service vans up to full tractor/trailer combinations. The majority of our deliveries are made with our own fleet. We have a network of outside carriers in place that complete deliveries in any remaining areas that our current fleet does not cover. We have plans in place for the ongoing expansion of our owned and managed fleet.

Information Systems: To provide for immediate emergency back up systems support, Swish has developed an identical 'back up' data centre in the event that any kind of emergency disrupts our primary data centre. Both these locations are remotely administrable by Swish IT personnel working from any internet-connected location. Swish IT systems are location-agnostic and can be accessed and used by Swish personnel working from any Swish branch, or remotely over a secured virtual private network.

Basic Five Step Plan: Upon the WHO (World Health Organization) announcing that a Level Six Influenza Pandemic Phase had been reached, Swish would immediately review and implement all or part of our Basic Five Step Plan (where necessary – dependent on local geographical and individual branch conditions).

- 1) Employees would be asked to postpone vacation until the crisis had subsided.
- 2) All non-essential functions (trade show participation, business trips, seminar participation etc.) would be immediately cancelled.
- 3) Sales, Marketing and Administrative personnel would be moved into more hands on operational roles as required.
- 4) An assessment would be made on a location by location basis by local and senior management to decide whether a customer can be best serviced from the affected location or whether they can be better served from the nearest unaffected location.
- 5) Where a location is affected to the point where it cannot continue to operate effectively, a decision would be taken to shift service to a nearby location or move in additional personnel to maintain operations and service to our clients.

It is very difficult to predict and plan for every contingency an influenza pandemic may demand. It is likely that our governments acting in the best interest of the population may impose legislation and controls that may affect our ability to maintain the level of service our customers may expect. We are committed throughout our organization to implement our Pandemic Support Plan and to do everything reasonably possible to maintain the highest and most consistent level of customer service possible.

Sincerely,



Anthony Ambler
President