

February 5, 2018

Sent Via E-mail

Mr. Dave Fearon
Senior VP, Labour & Employee Relations
Sobeys West dba Canada Safeway ("Sobeys")
115 King Street
Stellarton, NS B0K 1S0

Dear Mr. Fearon:

Recently on January 23, 2018, Sobeys stated that it intends to close permanently ten Safeway stores in British Columbia.

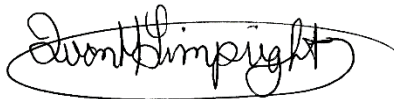
Notwithstanding our view that this action constitutes an illegal lockout, Article 1.03 of the collective agreement provides us with the right of first refusal to purchase the stores.

Before we can inform you whether we will agree to purchase some, all or none of the stores (or, conversely, refuse to purchase some, all or none of the stores), it will be necessary to determine the purchase price for each store, including its real estate.

Please confirm who will be representing Sobeys, and its related companies such as Snowcat and Crombie, so we can discuss the terms of a non-disclosure agreement that will allow the parties to determine the purchase price of each store (or purchase price for a group of stores), and that will allow us to perform our due diligence so that we can make an informed decision on whether to accept or refuse to purchase the store(s).

If you have a standard non-disclosure agreement for such negotiations, we would be pleased to consider your template as a starting point, subject to any changes we may require. If you do not have a standard non-disclosure agreement, we would be happy to provide you with a proposed agreement for your consideration.

Yours truly,



Ivan Limpricht, President
UFCW Local 1518

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