

January 26, 2018

Via Email

UFCW, Local 1518
350 Columbia Street
New Westminster, BC V3L 1A6

**Attention: Ivan Limpricht,
President UFCW Local 1518**

Re: Safeway Store Closures

I am writing in response to your letter dated January 25, 2018.

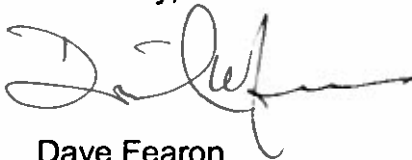
Because you previously indicated you were not available February 1, 2018 I scheduled other matters on that day. We are available to meet February 7 and 8 and agree to the Union's suggestion that the Union proceed first tabling its proposals on February 7 following a presentation by the company of its financial and operating status.

The company has fully informed the Union of its decision concerning store closures. There are ten stores which the company intends close. The company plans to open discount banner stores only if the parties can agree to an appropriate discount banner collective agreement. If this does not happen there will be no discount stores opened in BC.

The company has fully informed the Union of its decisions regarding Safeway operations in BC and will continue to inform the Union of any further decisions affecting Safeway operations in BC if and when such decisions are made.

We look forward to meeting with the Union on February 7, 2018.

Sincerely,



Dave Fearon
Senior Vice President - Labour Relations and IHM
Sobeys Inc.

cc S. Naldrett; K. Thorne; D. Hill