

June 2, 2017

Mr. Lee Riggs President TWU-USW Local 1944 5261 Lane Street Burnaby, B.C. V5H 4A6

Dear Mr. Riggs

As per Article 19.02 of the Collective Agreement this letter is to inform you that we intend to contract out inventory allocations and related clerical functions associated with Purchasing and Inventory Management.

This decision represents part of our continuing effort to reduce operational costs, improve business processes, and gain additional flexibilities to help us to better meet internal customer demand, and stay ahead of the rapidly changing technology within the industry. This proactive efficiency measure will help ensure our company's performance and economics remain strong.

Sincerely,

Simon/Hughes

Director, Purchasing & Inventory Management

.cc Juanita Lomax