



July 18, 2005

Valued Vendor Partner,

We would like to inform you of a very important accounting change we will be making at the end of this month. Effective August 1st, we will change the method in which we pay, track and report our sales and purchases for items subject to California Redemption Value (CRV) deposit to the state of California.

Effective with all invoices dated for arrival in our facilities on or after July 30, 2005 we are asking you no longer invoice us for CRV on your applicable Juice, Water, Ready-to-Drink Teas, Sport Drinks and Soda items. From this date forward, Unified Western Grocers, Inc. will assume responsibility for reporting our purchases to the State and remitting our payment accordingly. We believe this change is consistent with retailer best practices throughout our industry in the State of California.

Coinciding with this change, we will be invoicing your company for all inventories in our California warehouse facilities as accounted for on Saturday, July 30, 2005. This is due to the fact we have already paid you for CRV on these items we will now in turn be paying directly to the State. Access to detail supporting this billback will be available on our Vendor Inquiry Portal website. Please share this information with your Accounting group so they may evaluate whether or not a refund is due for CRV you may have previously paid to the State of California.

If you have questions concerning this transition, please don't hesitate to call Todd Moore at 503-833-1103, Janice Hopkins at 323-264-5200 x4385 or Mark Johnson at 323-264-5200 x7023.

Best regards,

Janice M. Hopkins

Janice Hopkins
Director, Accounting

A handwritten signature in black ink, appearing to read "Mark Johnson", written over a light blue horizontal line.

Mark Johnson
Director, Procurement