7585 Equitable Drive
Eden Prairie, MN 55344
800-466-2642
outside of U.S.A. 612/934-9918
Fax 612/934-7564

October 24, 2000

Scott Haggbloom
Costco/National
999 Lake Drive
Issaquah, WA 98027

Dear Scott:

The Purchase Orders listed below, I realize were never issued to Petters Company from you or from Costco/National:

- 00-198017
- 00-198143
- 00-198166
- 00-198210
- 00-198211
- 00-198618
- 00-199505
- 00-199193
- 00-199501
- 00-199592
- 00-199605
- 00-199801
- 00-199982
- 00-199917

I deeply apologize Scott that this happened.

Sincerely

Thomas J. Petters
President/CEO

GOVERNMENT EXHIBIT
299
08cr364(RHK/AJB)