

FireArms/Gun Ban

October 15, 2006

Bruce W. Krafft 4726 Heights Dr. Columbia Heights, MN 55421-3353

Dear Bruce W. Krafft:

This letter is in response to your October 15, 2006 Eden Prairie Costco Wholesale Experience, regarding Costco's "No Firearms" policy at its warehouse stores. In your shopping you mentioned your concerns that your rights are being violated by this restriction. We apologize for any inconvenience this policy might have caused you; however, this policy is administered at all our warehouses.

As an initial matter, Costco is not a place of "public accommodation" within the meaning of civil rights laws. The definition of "public accommodation" does not include a bona fide private club or other establishment that is not in fact open to the public.

Costco Wholesale is a membership-only warehouse club. It is not open to the general public. It restricts membership to a limited group of qualified individuals who agree to membership conditions. We have the right and the obligation to our members, to enact and enforce membership rules. The Member Service Employees at the exit doors are obliged to follow these rules. By obtaining a Costco membership card, our members agree to comply with the Membership Rules and the Privileges and Conditions of membership.

Costco does not believe that it is necessary for firearms to be brought into its warehouse stores, except in the case of authorized law enforcement officers. For the protection of all our members and employees, we feel this is a reasonable and prudent precaution to ensure a preasant shopping experience and safe workplace. Our policy is not a new policy and we do not customize the policy for each individual city/county/state/country where we do business.

The shopping experience is not enhanced by bringing a firearm into our warehouse. We are sorry that the message you are hearing is that "we don't want you." It is the firearms that we exclude in the warehouses, not the carriers.

Our primary goal at Costco Wholesale is to keep our members happy. If you believe that our policy restricting members from bringing firearms into our warehouse stores is either unfair or excessively burdensome, or you cannot agree to abide by this policy, or you are dissatisfied for any other reason, Costco will promptly refund your annual membership fee in full.

If you should have any questions, please feel free to contact me at (952) 943.4801

Sincerely,

COSTCO WHOLESALE

Peter Wong Assistant Warehouse Manager #783

PHS