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Minnesota. On August 10, 2015, we joined SuperValu to file a motion to dismiss the class actions, which remains pending. Based on the proceedings to date, we are unable to determine the probability of the outcome of this matter or the range of reasonably possible loss, if any.

On August 18, 2001, a group of truck drivers from Safeway's Tracy, California distribution center filed an action in California Superior Court, San Joaquin County entitled *Cicairos, et al. v. Summit Logistics*, alleging that Summit Logistics, the entity with whom Safeway contracted to operate the distribution center until August 2003, failed to provide meal periods, rest periods and itemized wage statements to the drivers in violation of California state law. Under its contract with Summit Logistics, Safeway is obligated to defend and indemnify Summit Logistics in this lawsuit. On February 6, 2007, another group of truck drivers from the Tracy distribution center filed a similar action in the same court, entitled *Bluford, et al. v. Safeway Inc.*, alleging essentially the same claims against Safeway. Both cases were subsequently certified as class actions. After lengthy litigation in the trial and appellate courts, on February 20, 2015, the parties signed a preliminary agreement of settlement that calls for us to pay approximately \$31 million in total. This amount consists of a settlement fund of \$30.2 million, out of which will be paid relief to the class, and attorneys' fees and costs as awarded by the court. In addition to this settlement fund, we will pay interest of \$10,000 if the distribution to the class is made in August 2015, with additional monthly amounts of interest if made after August 2015. We will also pay third-party settlement administrator costs, and our employer share of FICA/Medicare taxes. The motion for preliminary court approval of the settlement has been granted. Class members were notified of their right to file objections to the settlement or opt out of the settlement. No class members filed an objection or opted out by the June 15, 2015 deadline. The court approved the settlement and entered final judgment on August 4, 2015. If no appeal is filed within 60 days of the final judgment, Safeway will pay the settlement amount in mid-October 2015.

On June 17, 2011, a customer of Safeway's home delivery business (safeway.com) filed a class action complaint in the United States District Court for the Northern District of California entitled *Rodman v. Safeway Inc.*, alleging that Safeway had inaccurately represented on its home delivery website that the prices paid there were the same as the prices in the brick-and-mortar retail store. Rodman asserted claims for breach of contract and unfair business practices under California law. The court certified a class for the breach of contract claim, but denied class treatment for the California business practices claims. On December 10, 2014, the court ruled that the terms and conditions on Safeway's website should be construed as creating a contractual promise that prices on the website would be the same as in the stores and that Safeway had breached the contract by charging more on the website. On August 31, 2015, the court denied Safeway's affirmative defenses and arguments for limiting liability, and determined that website registrants since 2006 were entitled to approximately \$31 million in damages (which amount is expected to be reduced to \$23.1 million to correct an error in the court's calculation), plus prejudgment interest. The court has set a trial date of October 5, 2015 to determine whether pre-2006 registrants are entitled to any recovery. The company has established an estimated liability for these claims, but continues to contest both liability and damages for the remaining claims in the trial court, and expects to contest the other issues on appeal.

On June 29, 2015, counsel for Haggen delivered a notice of claims to Albertson's LLC and Albertson's Holdings LLC asserting that those companies had committed fraud and breached the Asset Purchase Agreement under which Haggen purchased 146 divested stores by improperly transferring inventory out of purchased stores, overstocking and understocking inventory, failing to advertise in the ordinary course of business, misusing confidential information and failing to use commercially reasonable efforts to preserve existing relationships. Haggen made no specific monetary demands, but withheld payment of approximately \$41.1 million due for purchased inventory at 38 stores on the basis of these allegations. On July 17, 2015, Albertson's LLC and Albertson's Holdings LLC commenced a lawsuit against Haggen in the Superior Court of Los Angeles County, alleging claims for breach of contract and fraud arising out of Haggen's failure to pay the approximately \$41.1 million due for the