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(increased to 60% effective January 30, 2015). In addition, Mr. Sampson's offer letter provided for a signing bonus in the amount of \$200,000 and the retention bonus described above under "—Bonuses—Special Bonuses." On September 18, 2015, Mr. Sampson and the company entered into a letter agreement which, effective upon the consummation of the IPO-Related Transactions, will reflect the assignment of his employment to the company and provide that the company will make any further payments remaining under his retention bonus.

Wayne A. Denningham

On September 18, 2015, Mr. Denningham and the company entered into a letter agreement which, effective upon the consummation of the IPO-Related Transactions, will reflect the assignment of his employment to the company, his base salary of \$800,000 and bonus opportunity of 60% of his base salary and provide that the company will make any further payments remaining under his retention bonus.

Severance Plan

We maintain the Albertson's LLC Severance Plan for Officers (the "Severance Plan") in order to provide severance benefits to certain employees who do not have severance rights under an employment agreement. Messrs. Denningham and Sampson are currently eligible for severance benefits under the Severance Plan. The Severance Plan provides that, subject to the execution of a release of claims and to certain exceptions set forth in the Severance Plan, an eligible employee who incurs an involuntary termination of employment due to certain job restructurings, reductions in force, sale of facilities, or job eliminations (and not due to any other reason including termination for misconduct or unsatisfactory job performance as determined by the company, or voluntary termination) will be eligible to receive:

- a lump sum severance payment in an amount equal to two weeks of pay per year of service, with a minimum of eight weeks of severance pay; and
- continued health insurance coverage at the active employee rate for a period of up to six months.

Deferred Compensation Plan

Our subsidiaries Albertson's LLC and NAI maintain the Albertson's LLC Makeup Plan and NAI Makeup Plan, respectively (collectively, the "Makeup Plans"). The Makeup Plans are unfunded non-qualified deferred compensation arrangements intended to comply with Section 409A of the Code. Designated employees, including our NEOs, may elect to defer the receipt of a portion of their base pay, bonus and incentive payments under the Makeup Plan. For fiscal 2014, Messrs. Dye and Sampson were eligible to participate in the NAI Makeup Plan, and the other NEOs were eligible to participate in the Albertson's LLC Makeup Plan. The amounts deferred are held in a book entry account and are deemed to have been invested by the participant in investment options designated by the participant from among the investment options made available by the committee under the Makeup Plans. Participants are vested in their accounts under the Makeup Plans to the same extent they are vested in their accounts under the 401(k) plan discussed below, except that accounts under the Makeup Plans will become fully vested upon a change in control. No deferral contributions for a year will be credited, however, until the participant has been credited with the maximum amount of elective deferrals permitted by the terms of the 401(k) plans and/or the limitations imposed by the Code. In addition, participants will be credited with an amount equal to the excess of the amount we would contribute to the 401(k) plans as a company contribution on the participant's behalf for the plan year without regard to any limitations imposed by the Code based on the participant's compensation over the amount of our actual company contributions for the plan year. Generally, payment of the participant's account under the Makeup Plans will be made in a lump sum following the participant's