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Mandatory Redemption. The ABS/Safeway Notes do not require the making of any mandatory redemption or sinking fund payments.

Repurchase of Notes at the Option of Holders. If a "change of control" occurs, the ABS/Safeway Issuers will be required to offer to purchase all of the ABS/Safeway Notes from the holders of such notes at a price equal to 101% of the principal amount outstanding, plus all accrued interest thereon. A "change of control" includes (i) subject to certain exceptions, the sale, lease or transfer, in one or a series of related transactions, of all or substantially all the assets of Albertson's Holdings and its subsidiaries, taken as a whole, to a person other than the Equity Investors, (ii) Albertson's Holdings becomes aware of the acquisition by any person or group, other than any of the Equity Investors, of more than 50% of the voting power of Albertson's Holdings or any of its direct or indirect parent companies or (iii) Albertson's Holdings ceases to own 100% of the capital stock of Safeway.

Covenants. The ABS/Safeway Indenture contains various affirmative and negative covenants (subject to customary exceptions), including, but not limited to, restrictions on the ability of Albertson's Holdings and its subsidiaries to: (i) dispose of assets; (ii) incur additional indebtedness, issue preferred stock and guarantee obligations; (iii) make certain restricted payments, investments and payments in respect of subordinated indebtedness; (iv) create liens on assets or agree to restrictions on the creation of liens on assets, (v) restrict distributions from Albertson's Holdings' subsidiaries; (vi) engage in mergers or consolidations and (vii) engage in certain transactions with affiliates.

Events of Default. The ABS/Safeway Indenture contains events of default (subject to customary exceptions, thresholds and grace periods), including, without limitation: (i) nonpayment of principal, interest or premium; (ii) failure to perform or observe covenants; (iii) cross-acceleration with certain other indebtedness; (iv) certain judgments; (v) certain bankruptcy related events; (vi) impairment of security interests in collateral and (vii) invalidity of guarantees.

Safeway Indenture

Safeway is party to an indenture, dated September 10, 1997 (the "Safeway Indenture"), with The Bank of New York, as trustee, under which Safeway has the following seven outstanding issues of notes (amounts as of June 20, 2015):

- a) \$80,000,000 of 3.40% Senior Notes due December 2016 (the "2016 Safeway Notes");
- b) \$100,000,000 of 6.35% Senior Notes due August 2017 (the "2017 Safeway Notes");
- c) \$268,557,000 of 5.00% Senior Notes due August 2019 (the "2019 Safeway Notes");
- d) \$136,826,000 of 3.95% Senior Notes due August 2020 (the "2020 Safeway Notes");
- e) \$130,020,000 of 4.75% Senior Notes due December 2021 (the "2021 Safeway Notes");
- f) \$150,000,000 of 7.45% Senior Debentures due September 2027 (the "2027 Safeway Notes"); and
- g) \$600,000,000 of 7.25% Senior Debentures due February 2031 (the "2031 Safeway Notes").

The 2016 Safeway Notes, 2017 Safeway Notes, 2019 Safeway Notes, 2020 Safeway Notes, 2021 Safeway Notes, 2027 Safeway Notes and 2031 Safeway Notes are collectively referred to as the "Safeway Notes."