

Table of Contents**AB ACQUISITION LLC AND SUBSIDIARIES****Notes to Condensed Consolidated Financial Statements (unaudited)****NOTE 8—RELATED PARTIES*****Symphony Investors LLC Tender Offer***

On March 21, 2013, associated with the NAI acquisition, Symphony Investors LLC ("Symphony"), which is owned by a consortium of investors led by Cerberus Capital Management, L.P. ("Cerberus"), acquired 21.1% of SUPERVALU INC. ("SuperValu") common shares. On April 23, 2015, Symphony distributed all of the SuperValu common shares held by it to the members of Symphony. As of April 23, 2015, Symphony did not own any SuperValu common shares.

***Contractual Agreements with SuperValu***

On April 16, 2015, the Company entered into a letter agreement regarding the Transition Service Agreement ("TSA") with SuperValu (the "TSA Letter Agreement") pursuant to which SuperValu will provide services to the Company as needed to transition and wind down the TSA and the services SuperValu provides under the TSA. In exchange for these transition and wind down services, the agreement calls for eight payments of \$6.3 million every six months for aggregate fees of \$50.0 million. These payments are separate from and incremental to the fixed and variable fees the Company pays to SuperValu under the TSA. The parties also agreed to negotiate in good faith if either the costs associated with the transition and wind down services are materially higher (i.e. 5.0% or more) than anticipated, or SuperValu is not performing in all material respects the transition and wind down services as needed to support the Company's transition and wind down activities.

On May 28, 2015, the Company reached an agreement with SuperValu to resolve certain matters. As part of the agreement, SuperValu paid the Company \$34.5 million. The Company will record the payment as a deferred liability and amortize it as a reduction of expense over four years.

***Summary of SuperValu activity***

Related party activities with SuperValu that are included in the Condensed Consolidated Statements of Operations and Comprehensive Loss consisted of the following (in millions):

	16 weeks ended	
	June 20, 2015	June 12, 2014
Supply agreements included in Cost of sales	\$ 397.0	\$ 452.5
Selling and administrative expenses	59.2	63.8
<b>Total</b>	<b>\$ 456.2</b>	<b>\$ 516.3</b>

***Cerberus***

In connection with the Safeway acquisition, the original management agreement with Cerberus was terminated. A new management agreement with Cerberus and the consortium of investors commenced on January 30, 2015, requiring a management fee of \$13.8 million, payable annually beginning January 30, 2015. The agreement is for four years.