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ATTORNEY GENER

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Benita A. Kahn Direct Dial (614) 464-6487 Direct Fax (614) 719-4792 Email bakahn@vorys.com

August 15, 2014

Iowa Attorney General 1305 E. Walnut Street Des Moines IA 50319

Re: Notification of Security Breach

To Whom It May Concern:

On behalf of our client and pursuant to your state's law, we are writing to inform you of a recent security incident involving AB Acquisition LLC, the parent company of New Albertsons, Inc. ("Albertsons"), headquartered in Boise, Idaho. At this time it is believed that approximately 1 store under the Jewel banner in your state was potentially affected.

Albertsons learned of an unauthorized access to electronic credit and debit card payment information in some of its stores on July 17, 2014. The forensic investigation is ongoing, and we are still gathering relevant information from our service providers and other business partners. Unfortunately, at this time we do not have sufficient information to know how many Iowa residents were potentially impacted.

See the attached press release for additional information. Please contact me with any questions or concerns.

Very truly yours,

Benita A. Kahn

BAK/csp Enclosures

cc: Dan Day

Media Contact: Christine Wilcox christine.wilcox@albertsons.com | 208-395-4163

AB Acquisition LLC Confirms Incident Involving Payment Card Data Processing

BOISE, ID – August 14, 2014 – AB Acquisition LLC, which operates Albertsons stores under Albertson's LLC and ACME Markets, Jewel-Osco, and Shaw's and Star Markets under New Albertson's, Inc., recently learned of an unlawful intrusion to obtain credit and debit card payment information in some of its stores. The appropriate federal law enforcement authorities have been notified, and AB Acquisition is working closely with its third party IT services provider, SUPERVALU, to better understand the nature and scope of the incident. Third-party data forensics experts are supporting an ongoing investigation. AB Acquisition has not determined that any cardholder data was in fact stolen, and currently it has no evidence of any misuse of any such data.

AB Acquisition believes that the intrusion has been contained and is confident that its customers can safely use their credit and debit cards in its stores.

Based on the latest information from the ongoing investigation, it appears that the period of unauthorized access may have started on June 22, 2014 (at the earliest) and ended on July 17, 2014 (at the latest).

Based on information we have at this time, Albertsons stores in Arizona, Arkansas, Colorado, Florida, Louisiana, New Mexico, Texas and our two Super Saver Foods Stores in Northern Utah were not impacted by this incident. However, Albertsons stores in Southern California, Idaho, Montana, North Dakota, Nevada, Oregon, Washington, Wyoming and Southern Utah were impacted. In addition, ACME Markets in Pennsylvania, Maryland, Delaware and New Jersey; Jewel-Osco stores in Iowa, Illinois and Indiana; and Shaw's and Star Markets stores in Maine, Massachusetts, Vermont, New Hampshire and Rhode Island were all impacted by this incident.

"We know our customers are concerned about the security of their payment card data, and we work hard to protect it," said Mark Bates, Senior Vice President and Chief Information Officer at AB Acquisition LLC. "As soon as we were notified of the incident, we began working closely with SUPERVALU to determine what happened. It's important to note that there is no evidence at this point that consumer data has been misused."

Continued Bates, "We understand the inconvenience and concern an incident like this can cause, and we deeply regret that our customers' data was targeted."

Given the continuing nature of the investigation, it is possible that time frames, locations and/or at risk data in addition to that described above will be identified in the future.

More information will be available on the websites at albertsons.com, acmemarkets.com, jewelosco.com, and shaws.com within 24 hours. Although it has not yet been determined whether any

cardholder data was in fact stolen, and there is no evidence to date of any misuse of such data, AB Acquisition LLC is offering customers whose payment cards may have been affected 12 months of complimentary consumer identity protection services through AllClear ID. Customers may visit the websites listed above for further information about the incident and about complimentary consumer identity protection services being offered, or call AllClear ID at 1-855-865-4449 beginning at 2:00pm MT (4:00pm ET) on August 15, 2014.

A free copy of your credit report can also be obtained from each of the credit bureaus once a year by going to http://www.annualcreditreport.com or calling 877-322-8228. Hearing impaired consumers can access TDD services at 877-730-4104. We encourage you to monitor these reports, as well as your credit and debit card statements. You may also place a fraud alert or security freeze on your credit report by contacting the credit bureaus as listed below.

About AB Acquisition LLC

Established in 2006, AB Acquisition LLC ("Albertsons"), which operates ACME, Albertsons, Jewel-Osco, Lucky, Shaws, Star Market and Super Saver, and stores under the United Family of stores, Amigos, Market Street and United Supermarkets, is working to become the favorite food and drug retailer in every market it serves. The company is privately owned by Cerberus Capital Management, Kimco Realty Corporation, Klaff Realty, Lubert-Adler Partners, and Schottenstein Stores Corporation, and operates 1,060 stores and 14 distribution centers in 29 states and employs approximately 115,000 associates. For more information, please visit www.Albertsons.com.

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You may also contact the Federal Trade Commission for more information toll-free at 1-877-ID-THEFT (438-4338) (TTY: 1-866-653-4261), by email at http://www.consumer.ftc.gov/features/feature-0014-identity-theft, or writing to Identity Theft Clearinghouse, Federal Trade Commission, 600 Pennsylvania Avenue, NW, Washington, DC 20580.

A free copy of your credit report can be obtained from each of the credit bureaus once a year by going to http://www.annualcreditreport.com or calling 877-322-8228. Hearing impaired consumers can access TDD services at 877-730-4104. We encourage you to monitor these reports, as well as your credit and debit card statements. You may also place a fraud alert or security freeze on your credit report by contacting the credit bureaus as listed below.

Equifax	Experian	TransUnion
P.O. Box 740241	P.O. Box 9554	P.O. Box 6790
Atlanta, GA 30374	Allen, TX 75013	Fullerton, CA 92834
888-766-0008	888-397-3742	800-680-7289
www.equifax.com	www.experian.com	www.transunion.com

A security freeze will prevent new credit from being opened in your name without the use of a personal identification number or password that will be issued by the credit bureaus after you initiate the freeze.

A security freeze will also prevent potential creditors from accessing your credit report without your authorization. However, please be aware that placing a security freeze on your credit report may delay, interfere with, or prevent the timely approval of any requests you make for new loans, mortgages, employment, housing or other services. In order to place a security freeze, you may be required to provide the credit bureaus with information that identifies you, including your full name, social security number, date of birth, current and previous addresses, a copy of your state-issued identification card, and a recent utility bill, bank statement or insurance statement. Credit bureaus may charge a fee up to \$10 to place, lift, or remove the security freeze; however, this fee may be less in certain states (in MA, up to \$5) or waived if you are the victim of identity theft and you provide a valid police report. You must separately place a security freeze on your credit file with each credit reporting agency.

Filing a Police Report for Suspicious Activity:

If you do find suspicious activity on the credit or debit card indicated in our notice to you or in your credit report, call your local police or sheriff's office and file a police report of identity theft. Get a copy of the police report. You may need to give copies of the police report to creditors to clear up your records. In addition, you should report identity theft to your Attorney General and the Federal Trade Commission.

For Maryland Residents: The Maryland Attorney General provides information regarding identity theft at http://www.oag.state.md.us/idtheft/index.htm. You may also contact the Identity Theft Unit at (410) 576-6491, by email at idtheft@oag.state.md.us, and by mail at 200 St. Paul Place, 16th Floor, Baltimore, MD 21202.