

We already have addressed the allegations made by Local 400 concerning Safeway's contribution obligations. Simply put, Safeway does not have the contribution obligation Local 400 asserts. We believe Local 400 is aware of this. As a result, months ago Local 400 shifted its focus and began to contend that Safeway would be subject to excise taxes for the Mid-Atlantic Fund failing to meet minimum funding. Safeway is confident it will not be subject to minimum funding excise taxes.