

SAFEWAY INC
Form 4
February 02, 2015

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

OMB APPROVAL

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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
EDWARDS ROBERT L

(Last) (First) (Middle)
5918 STONERIDGE MALL ROAD
(Street)
PLEASANTON, CA 94588
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
SAFEWAY INC [SWY]

3. Date of Earliest Transaction (Month/Day/Year)
01/30/2015

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)
CEO & President

6. Individual or Joint/Group Filing (Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	01/30/2015		A		288,408 ⁽¹⁾	A	\$ 0 703,068	D	
Common Stock	01/30/2015		D		703,068	D	(2) 0	D	
Common Stock	01/30/2015		D		2,009.8454	D	(2) 0	I	By 401(k) Plan

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 34	01/30/2015		D	159,509	<u>(3)</u>	<u>(3)</u>	Common Stock	159,509
Stock Option (right to buy)	\$ 21.87	01/30/2015		D	85,213	<u>(4)</u>	<u>(4)</u>	Common Stock	85,213
Stock Option (right to buy)	\$ 19.58	01/30/2015		D	84,775	<u>(5)</u>	<u>(5)</u>	Common Stock	84,775
Stock Option (right to buy)	\$ 17.49	01/30/2015		D	66,203	<u>(6)</u>	<u>(6)</u>	Common Stock	66,203
Stock Option (right to buy)	\$ 18.39	01/30/2015		D	73,750	<u>(7)</u>	<u>(7)</u>	Common Stock	73,750
Stock Option (right to buy)	\$ 14.26	01/30/2015		D	97,000	<u>(8)</u>	<u>(8)</u>	Common Stock	97,000
Restricted Stock Units	<u>(9)</u>	01/30/2015		D	38,211	<u>(9)</u>	<u>(9)</u>	Common Stock	38,211

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

EDWARDS ROBERT L
 5918 STONERIDGE MALL ROAD X CEO & President
 PLEASANTON, CA 94588

Signatures

/s/ Laura A. Donald, 02/02/2015
 Attorney-in-Fact

 Signature of Reporting Person Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Represents shares acquired pursuant to performance share awards vested in accordance with the terms of the merger agreement dated as of March 6, 2014 among issuer, AB Acquisition LLC, Albertson's Holdings LLC, Albertson's LLC and Saturn Acquisition Merger Sub, Inc., as amended (the "merger agreement").

(2) Disposed of as of the effective date of the merger pursuant to the merger agreement. Upon the effective date of the merger each share of common stock became the right to receive the merger consideration consisting of: (i) a cash payment of \$34.92, (ii) one contingent value right relating to issuer's interest in Casa Ley, S.A. de C.V. (a "Casa Ley CVR") and (iii) one contingent value right relating to any deferred consideration relating to the sale of the assets of issuer's real-estate development subsidiary Property Development Centers, LLC (a "PDC CVR"), less any applicable withholding taxes.

(3) The option originally vested in successive annual increments of 25% of the original number of shares subject to the option, beginning March 3, 2015. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(4) The option originally vested in successive annual increments of 25% of the original number of shares subject to the option, beginning July 22, 2014. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(5) The option originally vested in successive annual increments of 25% of the original number of shares subject to the option, beginning March 8, 2014. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(6) The option originally vested in successive annual increments of 25% of the original number of shares subject to the option, beginning March 8, 2013. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(7) The option originally vested in successive annual increments of 20% of the original number of shares subject to the option, beginning March 10, 2012. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(8) The option originally vested in successive annual increments of 20% of the original number of shares subject to the option, beginning March 2, 2010. Pursuant to the merger agreement, each option, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive for each share of common stock issuable upon exercise of the option (i) a cash payment of \$34.92 less the exercise price per share of the option, (ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

(9) Each restricted stock unit represented the contingent right to receive one share of common stock. The restricted stock units originally vested in three equal annual installments beginning March 3, 2015. Pursuant to the merger agreement, each restricted stock unit, whether vested or unvested, was canceled as of the effective date of the merger in exchange for the right to receive (i) a cash payment of \$34.92,

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(ii) one Casa Ley CVR and (iii) one PDC CVR, less any applicable withholding taxes.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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