

## **CONSUMER ALERT: Security Breach in Albertson's Stores**

### **Frequently Asked Questions ("FAQ")**

#### **What happened? What does Save Mart know so far? What has the investigation revealed?**

One checkout lane EFT (Electronic Funds Transfer) unit (otherwise known as a "pin pad") at an Albertson's store at 15840 Hesperian Boulevard in San Lorenzo, California, may have been tampered with. As a result, account and personal identification numbers ("pin") associated with credit and debit cards used in this checkout lane may have been compromised. Local police investigations suggest that the pin pad may have been compromised between the dates of January 26, 2007 and February 4, 2007.

Save Mart's investigation has also discovered evidence of tampering at another Albertson's store at 815 Marina Village Parkway in Alameda, California. At this time, to the best of our knowledge, the fraudulent activity is confined to one checkout lane EFT unit in the store. Save Mart is continuing our investigations regarding the Alameda store and is currently in the process of narrowing the ranges of dates on which the EFT unit in the Alameda store may have been compromised. Once we have this information, as well as additional information regarding the incident at the Alameda store, we will publish it on our web site at [www.savemart.com](http://www.savemart.com).

#### **How did Save Mart discover the fraudulent activity?**

Save Mart was first notified of fraudulent activity associated with credit and debit transactions used at one of our newly acquired Albertson's stores located at 15840 Hesperian Boulevard in San Lorenzo, California. We subsequently were able to track the activity to one cash register terminal at the coffee counter checkout lane EFT unit in this store. As a result of this tampering, account and pin numbers associated with some credit and debit cards used in this checkout lane may have been stolen. Local police investigations suggest that this EFT unit (pin pad) may have been compromised between the dates of January 26 and February 4, 2007. The Alameda County Sheriff's Department detective investigating this case has told us that this issue apparently only affects the one coffee counter cash register EFT unit (pin pad) at the San Lorenzo store.

Save Mart's investigation has also discovered evidence of tampering at our one of our stores in Alameda located at 815 Marina Village Parkway. At this time, to the best of our knowledge, the fraudulent activity is confined to one checkout lane EFT unit in the store. As we continue our investigations regarding the incident at the Alameda store, we will publish additional information on our web site at [www.savemart.com](http://www.savemart.com).

#### **How did Save Mart respond? What did Save Mart do to protect your customers?**

Immediately following this discovery, Save Mart's Asset Protection Department began working with law enforcement authorities. An investigation is underway and we are working closely with authorities to address the situation.

Save Mart promptly replaced all of the EFT units (pin pads) in the San Lorenzo store with devices that are not prone to this sort of compromise. Upon discovering the issue in the Alameda store, Save Mart's Asset Protection and Technology teams opened and examined each EFT unit in the store, and found no tampering in any of the units.

In addition, we promptly engaged internal and external experts to assist us with immediate measures to prevent further fraudulent activity in our stores. These experts are performing an inventory and inspection of EFT units in all of our stores and are physically securing all such units.

**How widespread is this issue?**

Although we do not yet have enough information to determine the extent of this criminal activity, compromised debit and credit cards that we are aware of are limited to transactions conducted at the two Albertson's stores referenced in this FAQ, one in San Lorenzo and the other in Alameda.

**How do I know if my credit or debit card information was stolen?**

We are in the process of contacting our business partners, such as credit and debit card processors, to determine whether it is possible to identify specific affected customer accounts.

Save Mart recommends that our customers who used debit or credit cards in our San Lorenzo or Alameda stores during the time frames referenced above contact their banks or credit card issuer to request that a new card number be issued to them. Additionally, store patrons who did not use their credit or debit cards during the time frames referenced above should carefully monitor their payment card statements relating to such cards and contact the applicable bank or credit card issuer immediately in the event of any fraudulent transactions or activity.

**Will Save Mart pay for credit monitoring?**

Since your Social Security number was not compromised, credit monitoring services are not applicable. If you are affected by fraudulent use of your credit or debit accounts, we suggest that you work with your bank or credit card issuer to have the unauthorized charges credited.

**Is it safe to continue to use my debit and/or credit card in Save Mart stores?**

In response to the discovery of this tampering, we have engaged internal and external experts to assist us with immediate measures to prevent further fraudulent activity in our stores. These experts are performing an inventory and inspection of EFT units in all of our stores. We have also taken immediate steps to ensure that our EFT units are physically secure to prevent further tampering and will be replacing all EFT units determined to be susceptible to this type of fraudulent activity. We believe these steps will protect the security of our payment network and the privacy of our customers using credit and debit cards going forward.

**Were Save Mart's own employees involved in the tampering?**

At this point, we have no reason to believe that our associates were involved in any way.

**Who can I contact at Save Mart to discuss this matter?**

We sincerely regret this incident and apologize to you for any inconvenience or concern this may cause you. Please feel free to contact **Save Mart Consumer Relations** toll-free at **1-800-692-5710 (Monday-Friday 8:00 AM to 4:30 PM)**.

**What if a person who claims to be a Save Mart/Albertson's or bank representative contacts me?**

This incident provides an unfortunate opportunity for scam artists to take advantage of unsuspecting citizens. Scam artists can easily obtain confidential information, such as social security numbers or banking and credit information by calling consumers, posing as Albertson's, bank or credit employees. These scam artists may ask the consumer to give the caller their personal information to "verify" whether the consumer is an identity theft victim. Once the consumer gives the caller this personal information, he or she unwittingly becomes a victim of identity theft.

As always, consumers should be wary of callers who ask for personal information over the phone, including their social security number or credit and debit card information. Neither Save Mart nor Albertson's would call individuals asking them to "verify" this confidential information over the phone. If you receive a call from someone asking for you to "confirm" your personal information over the phone, DO NOT give out the information. Instead, hang up the phone and contact the institution yourself.

# CONSUMER ALERT

June 7, 2007

Dear Albertsons Customer:

This alert is to inform you of a security incident we believe may have recently occurred at two **Albertsons** stores, one located at 15840 Hesperian Boulevard in San Lorenzo, California, and the other located at 815 Marina Village Parkway in Alameda, California. These stores were purchased on February 23, 2007 by Save Mart Supermarkets.

Days ago, we discovered that certain of the debit/credit card readers at these stores' checkout counters may have been compromised, resulting in the potential for credit and debit card numbers that were processed by these readers to have been stolen. We promptly replaced all of the readers in the San Lorenzo store with devices that are not prone to this sort of compromise, and upon discovering the issue in the Alameda store; we examined each reader in the store and found no tampering in any of the units.

Local police investigations suggest that the reader in the San Lorenzo Store may have been compromised between the dates of January 26<sup>th</sup> and February 4<sup>th</sup>, 2007. We are in the process of narrowing the range of dates on which the reader in the Alameda store may have been compromised, and once we have this information, as well as additional information regarding this incident, we will publish it on our web site at [www.savemart.com](http://www.savemart.com).

If you used your credit or debit card at one of these counters during these periods, your card may have been compromised and your account may be subjected to fraudulent activity. In situations like this one, the California Office of Privacy Protection recommends that you immediately contact the financial institution that issued your payment card and request that a new card number be issued to you. As required by payment card industry standards, we are in the process of notifying the applicable payment card institutions that this payment card information has been subjected to compromise, and we suggest that you contact them as well so that a new card can be issued to you in a prompt fashion.

For more information on identity theft, we suggest that you visit the Web site of the California Office of Privacy Protection at [www.privacy.ca.gov](http://www.privacy.ca.gov) or the Federal Trade Commission at [www.consumer.gov/idtheft](http://www.consumer.gov/idtheft). If there is anything Save Mart Supermarkets can do to assist you, please call our Consumer Relations Department at 800-692-5710.

Sincerely,  
Save Mart Supermarkets