Union does not believe Section 6.4 (d) will support a neutral finding the Affected Unions or Covered Employees are not third party beneficiaries.

UFCW Local 342 intends to enforce the Key Food APA, but in order to save the employer the expense of litigation on this matter, as well as the expense to defend various other labor related actions UFCW Local 342 may have a legal right to pursue, UFCW Local 342 writes to ask the employer to acknowledge this obligation, and requests that you conclude a labor agreement on behalf of the Local 342 members in the two stores purchased from A&P. We are available to conclude at any time this week with the exception of tomorrow, December 2nd, although we could possibly be available after 3 PM if the employer is interested. Please contact us by emailing Janel D'Ammassa or calling Ms. D'Ammassa at (516) 747-5980 to set up a mutually convenient time to conclude the collective bargaining agreement. You may also contact me of course, if you cannot for some reason get Ms. D'Ammassa.

UFCW Local 342 has attempted over several months to conclude an agreement which could have been mutually acceptable to the various Key Food Co-Op members who are now the employers of the employees in your stores, and other Key Food stores. As you are aware, the Co-Op through its attorney continues to make demands which violate the Key Food APA and the rights of the former A&P employees who Local 342 represents. While we appreciate that you have kept the lines of communication open between your company and Local 342, we feel the time has come to conclude with the actual employer. Local 342 is under no obligation to bargain with the Key Food Co-Op except for the two stores the Co-Op purchased. Local 342 has tried to cooperate with the request of the Co-Op to bargain one agreement to cover all employers, but the Co-Op has not made it possible to conclude. We must at this point abandon that accommodation.

In closing Local 342 requests that you comply with applicable labor law, and bargain with Local 342 to conclusion as to the former A&P stores your company purchased. If you refuse to bargain to conclusion with Local 342 directly, then the Union will have no choice but to pursue all legal remedies available to fairly represent our members employed by your company. Please contact us at your earliest convenience.

Sincerely,

Lisa O'Leary

Lisa O'Leary
Secretary Treasurer

Cc: Lou Loiacono, UFCW Local 342 Executive Director
Lou Sollicito, UFCW Local 342 Executive Director

Lisa O'Leary

From: Lisa O'Leary
Sent: Monday, November 30, 2015 6:32 PM
To: 'joeverderosa@aol.com'
Cc: Lou Loiacono; Lou Sollicito
Subject: Bargaining Demand from UFCW Local 342
Attachments: Scan0185.pdf

Dear Mr. Verderosa: in the attachment please find a letter from UFCW Local 342. Also, at your convenience please send me your company name and address, and your official contact info, thanks Lisa O'Leary

Richard Abondolo
President

Deana Telmany
Director of Organization

LOCAL 342
UFCW
a VOICE for working America

Lisa O'Leary
Secretary-Treasurer

Tenisha Williamson
Recording Secretary
Executive Assistant to the President

Mr. Paul Conte
Mr. Pat Conte
Key Food Conte
575 Grand Street
Brooklyn, NY 11211

12/1/2015

RE: Demand to Bargain and conclude collective bargaining agreement

Dear Mr. Conte and Mr. Conte:

UFCW Local 342 writes to you as the Key Food owner/employer of the stores your company recently purchased from A&P: the former Food Emporium #715 located Union Square in Manhattan, NY, the former Food Emporium #732 located on W. 50th Street in Manhattan, NY, and the former Food Emporium # 727 located on W. 43rd Street in Manhattan, NY.

The Asset Purchase Agreement Key Food signed with the A&P for Key Food purchased stores (Key Food APA), including the three stores listed above, states in pertinent part:

"Section 6.4

(a) Obligation of Buyer. With respect to Covered Employees who are represented by an Affected Union and are legally authorized to work in the capacity in which they were last employed immediately prior to the Closing ("Affected Union Covered Employees"), at least 10 days prior to the Closing Date, Buyer **shall make an offer of employment** (emphasis added), which shall be effective as of the Closing Date and contingent upon the Closing, and **shall be consistent with the terms and conditions required by the governing Affected Labor Agreements or Modified Labor Agreements** (emphasis added), to the extent applicable. With respect to any Affected Union Covered Employee who is on long-term disability leave of absence as of the Closing Date, such offer shall be contingent upon such Affected Union Covered Employee returning to active status within a period of six months following the Closing. Notwithstanding the foregoing, nothing herein shall be construed as to prevent Buyer from terminating the employment of any Covered Employee, **consistent with applicable law and the governing Affected Labor Agreements or the Modified Labor Agreements, as applicable, at any time following the Closing Date** (emphasis added). Buyer shall have no obligation with respect to any Covered employee, who, as of immediately prior to the Closing, is not represented by an Affected Union."

UFCW Local 342, and the former A&P employees who are represented by Local 342, are third party beneficiaries of this Asset Purchase Agreement between Key Food and the A&P Tea Company. The approval by the bankruptcy court of the purchase of the former A&P stores by Key Food and your company, was contingent on this language that is within the Asset Purchase Agreement. Obviously the Union does not believe Section 6.4 (d) will support a neutral finding the Affected Unions or Covered Employees are not third party beneficiaries.

UFCW Local 342 intends to enforce the Key Food APA, but in order to save the employer the expense of litigation on this matter, as well as the expense to defend various other labor related actions UFCW Local 342 may have a legal right to pursue, UFCW Local 342 writes to ask the employer to acknowledge this obligation, and requests that you conclude a labor agreement on behalf of the Local 342 members in the two stores purchased from A&P. We are available to conclude at any time this week with the exception of tomorrow, December 2nd, although we could possibly be available after 3 PM if the employer is interested. Please contact us by emailing Janel D'Ammassa or calling Ms. D'Ammassa at (516) 747-5980 to set up a mutually convenient time to conclude the collective bargaining agreement. You may also contact me of course, if you cannot for some reason get Ms. D'Ammassa.

UFCW Local 342 has attempted over several months to conclude an agreement which could have been mutually acceptable to the various Key Food Co-Op members who are now the employers of the employees in your stores, and other Key Food stores. As you are aware, the Co-Op through its attorney continues to make demands which violate the Key Food APA and the rights of the former A&P employees who Local 342 represents. While we appreciate that you have kept the lines of communication open between your company and Local 342, we feel the time has come to conclude with the actual employer. Local 342 is under no obligation to bargain with the Key Food Co-Op except for the two stores the Co-Op purchased. Local 342 has tried to cooperate with the request of the Co-Op to bargain one agreement to cover all employers, but the Co-Op has not made it possible to conclude. We must at this point abandon that accommodation.

In closing Local 342 requests that you comply with applicable labor law, and bargain with Local 342 to conclusion as to the former A&P stores your company purchased. If you refuse to bargain to conclusion with Local 342 directly, then the Union will have no choice but to pursue all legal remedies available to fairly represent our members employed by your company. Please contact us at your earliest convenience.

Sincerely,

Lisa O'Leary

Lisa O'Leary
Secretary Treasurer

Cc: Lou Loiacono, UFCW Local 342 Executive Director
Lou Sollicito, UFCW Local 342 Executive Director

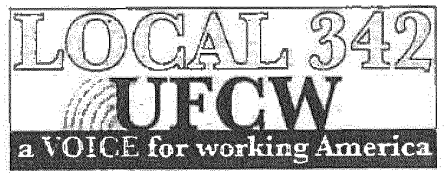
Lisa O'Leary

From: Lisa O'Leary
Sent: Monday, November 30, 2015 6:41 PM
To: 'patconte1@verizon.net'; 'psctapps@aol.com'
Cc: Lou Loiacono; Lou Sollicito
Subject: Demand for Bargaining from UFCW Local 342
Attachments: Scan0186.pdf

Dear Mr. Conte and Mr. Conte: in the attachment please find a letter from UFCW Local 342. Thank you, Lisa O'Leary

Richard Abondolo
President

Deana Telmany
Director of Organization



Lisa O'Leary
Secretary-Treasurer

Tenisha Williamson
Recording Secretary
Executive Assistant to the President

Dan's Supreme d/b/a Key Food
474 Fulton Avenue
Hempstead, NY 11550
ATTN: Steve DiCarlo

12/1/2015

RE: Demand to Bargain and conclude collective bargaining agreement

Dear Mr. Di Carlo:

UFCW Local 342 writes to you as the designated representative of Dan's Supreme d/b/a Key Food, concerning the stores Dan's Supreme recently purchased from A&P: Waldbaum's #669 on Willis Ave in Albertson, Waldbaum's #263 on Main Road in Mattituck, Waldbaum's # 229 on Montauk Hwy in Center Moriches, and Food Emporium #703 on Third Avenue in Manhattan.

The Asset Purchase Agreement Key Food signed with the A&P for Key Food purchased stores (Key Food APA), including the four store's Dan's Supreme purchased listed above, states in pertinent part:

"Section 6.4

(a) Obligation of Buyer. With respect to Covered Employees who are represented by an Affected Union and are legally authorized to work in the capacity in which they were last employed immediately prior to the Closing ("Affected Union Covered Employees"), at least 10 days prior to the Closing Date, Buyer **shall make an offer of employment** (emphasis added), which shall be effective as of the Closing Date and contingent upon the Closing, and **shall be consistent with the terms and conditions required by the governing Affected Labor Agreements or Modified Labor Agreements** (emphasis added), to the extent applicable. With respect to any Affected Union Covered Employee who is on long-term disability leave of absence as of the Closing Date, such offer shall be contingent upon such Affected Union Covered Employee returning to active status within a period of six months following the Closing. Notwithstanding the foregoing, nothing herein shall be construed as to prevent Buyer from terminating the employment of any Covered Employee, **consistent with applicable law and the governing Affected Labor Agreements or the Modified Labor Agreements, as applicable, at any time following the Closing Date** (emphasis added). Buyer shall have no obligation with respect to any Covered employee, who, as of immediately prior to the Closing, is not represented by an Affected Union."

UFCW Local 342, and the former A&P employees who are represented by Local 342, are third party beneficiaries of this Asset Purchase Agreement between Key Food and the A&P Tea Company. The approval by the bankruptcy court of the purchase of the former A&P stores by Key Food and Dan's Supreme, was contingent on this language that is within the Asset Purchase Agreement. Obviously the Union does not believe Section 6.4 (d) will support a neutral finding the Affected Unions or Covered Employees are not third party beneficiaries.

UFCW Local 342 intends to enforce the Key Food APA, but in order to save the employer the expense of litigation on this matter, as well as the expense to defend various other labor related actions UFCW Local 342 may have a legal right to pursue, UFCW Local 342 writes to ask the employer to acknowledge this obligation, and requests that Dan's Supreme conclude a labor agreement on behalf of the Local 342 members in the four stores purchased from A&P. We are available to conclude at any time this week with the exception of tomorrow, December 2nd, although we could possibly be available after 3 PM if the employer is interested. Please contact us by emailing Janel D'Ammassa or calling Ms. D'Ammassa at (516) 747-5980 to set up a mutually convenient time to conclude the collective bargaining agreement. You may also contact me of course, if you cannot for some reason get Ms. D'Ammassa.

UFCW Local 342 has attempted over several months to conclude an agreement which could have been mutually acceptable to the various Key Food Co-Op members who are now the employers of the employees in your stores and other Key Food stores. As you are aware, the Co-Op through its attorney continues to make demands which violate the Key Food APA and the rights of the former A&P employees who Local 342 represents. While we appreciate that Dan's Supreme has kept the lines of communication open between Dan's and Local 342, we feel the time has come to conclude with the actual employer. Local 342 is under no obligation to bargain with the Key Food Co-Op except for the two stores the Co-Op purchased. Local 342 has tried to cooperate with the request of the Co-Op to bargain one agreement to cover all employers, but the Co-Op has not made it possible to conclude. We must at this point abandon that accommodation.

In closing Local 342 requests Dan's Supreme's comply with applicable labor law, and bargain with Local 342 to conclusion as to the former A&P stores Dan's Supreme purchased. If Dan's Supreme refuses to bargain to conclusion with Local 342 directly, then the Union will have no choice but to pursue all legal remedies available to fairly represent our members employed by Dan's Supreme. Please contact us at your earliest convenience.

Sincerely,

Lisa O'Leary

Lisa O'Leary
Secretary Treasurer

Cc: President Richard Abondolo
George Donato, Supervisor, Dan's Supreme

Lisa O'Leary

From: Lisa O'Leary
Sent: Monday, November 30, 2015 6:46 PM
To: 'gdonato@danssupreme.com'
Cc: Lou Loiacono; Lou Sollicito
Subject: Bargaining Demand from UFCW Local 342
Attachments: Scan0187.pdf

Dear George: could you please forward the letter in the attachment to Steve DiCarlo? I don't have his email address, thanks Lisa O'Leary

Richard Abondolo
President

Deana Telmany
Director of Organization

LOCAL 342
UFCW
a VOICE for working America

Lisa O'Leary
Secretary-Treasurer

Tenisha Williamson
Recording Secretary
Executive Assistant to the President

Ms. Sharon Konzelman
Vice President of Finance
Key Food Cooperative
1200 South Avenue
Staten Island, NY 10314

12/1/2015

RE: Demand to Bargain and conclude collective bargaining agreement for Co-Op stores

Dear Ms. Konzelman:

UFCW Local 342 writes to you as the designated representative of Key Food owner/employer of the stores your company recently purchased from A&P: the former Waldbaum's #641 located on 31st Street in Jackson Heights, NY and the former Waldbaum's # 657 located on Francis Lewis Blvd in Bayside, NY.

The Asset Purchase Agreement Key Food signed with the A&P for Key Food purchased stores (Key Food APA), including the two stores listed above, states in pertinent part:

"Section 6.4

(a) Obligation of Buyer. With respect to Covered Employees who are represented by an Affected Union and are legally authorized to work in the capacity in which they were last employed immediately prior to the Closing ("Affected Union Covered Employees"), at least 10 days prior to the Closing Date, Buyer **shall make an offer of employment** (emphasis added), which shall be effective as of the Closing Date and contingent upon the Closing, and **shall be consistent with the terms and conditions required by the governing Affected Labor Agreements or Modified Labor Agreements** (emphasis added), to the extent applicable. With respect to any Affected Union Covered Employee who is on long-term disability leave of absence as of the Closing Date, such offer shall be contingent upon such Affected Union Covered Employee returning to active status within a period of six months following the Closing. Notwithstanding the foregoing, nothing herein shall be construed as to prevent Buyer from terminating the employment of any Covered Employee, **consistent with applicable law and the governing Affected Labor Agreements or the Modified Labor Agreements, as applicable, at any time following the Closing Date** (emphasis added). Buyer shall have no obligation with respect to any Covered employee, who, as of immediately prior to the Closing, is not represented by an Affected Union."

UFCW Local 342, and the former A&P employees who are represented by Local 342, are third party beneficiaries of this Asset Purchase Agreement between Key Food and the A&P Tea Company. The approval by the bankruptcy court of the purchase of the former A&P stores by Key Food and your company, was contingent on this language that is within the Asset Purchase Agreement. Obviously the

Union does not believe Section 6.4 (d) will support a neutral finding the Affected Unions or Covered Employees are not third party beneficiaries.

UFCW Local 342 intends to enforce the Key Food APA, but in order to save the employer the expense of litigation on this matter, as well as the expense to defend various other labor related actions UFCW Local 342 may have a legal right to pursue, UFCW Local 342 writes to ask the employer to acknowledge this obligation, and requests that you conclude a labor agreement on behalf of the Local 342 members in the two stores the Co-Op purchased from A&P. We are available to conclude at any time this week with the exception of tomorrow, December 2nd, although we could possibly be available after 3 PM if the employer is interested. Please contact us by emailing Janel D'Ammassa or calling Ms. D'Ammassa at (516) 747-5980 to set up a mutually convenient time to conclude the collective bargaining agreement. You may also contact me of course, if you cannot for some reason get Ms. D'Ammassa.

UFCW Local 342 has attempted over several months to conclude an agreement which could have been mutually acceptable to the various Key Food Co-Op members. As you are aware, the Co-Op continues to make demands which violate the Key Food APA and the rights of the former A&P employees who Local 342 represents. Local 342 rejects the changes you sent to President Abondolo via email on November 25th. **UFCW Local 342 will no longer bargain with the Co-Op and its attorney Doug Catalano, except for the two stores the Co-Op purchased. UFCW Local 342 has sent letters to that effect to the various Key Food employers, and we intend to bargain with them directly or take all actions available to us. They are the actual employers, not the Co-Op, except for the Bayside and Jackson Heights stores. We are preparing a counter proposal for the Co-Op owned stores which will be sent to you and Mr. Catalano.** We feel the time has come to conclude with the actual employers, as Local 342 is under no obligation to bargain with the Key Food Co-Op except for the two stores the Co-Op purchased. Local 342 has tried to cooperate with the request of the Co-Op to bargain one agreement to cover all employers, but the Co-Op has not made it possible to conclude. We must at this point abandon that accommodation.

In closing Local 342 requests that you comply with applicable labor law, and bargain with Local 342 to conclusion as to the former A&P stores the Co-Op purchased. If you refuse to bargain to conclusion with Local 342 directly for these two stores only, then the Union will have no choice but to pursue all legal remedies available to fairly represent our members employed by the Key Food Co-Op.

Sincerely,

Lisa O'Leary

Lisa O'Leary
Secretary Treasurer

Cc: Lou Loiacono, UFCW Local 342 Executive Director
Lou Sollicito, UFCW Local 342 Executive Director
Doug Catalano, Esq., Norton Rose

Lisa O'Leary

From: Lisa O'Leary
Sent: Monday, November 30, 2015 6:50 PM
To: Sharon Konzelman
Cc: Lou Loiacono; Lou Sollicito; 'Catalano, Douglas'
Subject: Demand for Bargaining from UFCW Local 342
Attachments: Scan0188.pdf

Dear Ms. Konzelman: in the attachment please find a letter from UFCW Local 342. Thank you Lisa O'Leary

Lisa O'Leary

From: Lisa O'Leary
Sent: Monday, November 30, 2015 6:08 PM
To: 'gibdamalm@yahoo.com'; 'Franklynea@aol.com'
Cc: Lou Loiacono; Lou Sollicito
Subject: Bargaining Demand from UFCW Local 342
Attachments: Scan0180.pdf

Dear Mr. Almonte: In the attachment please find a letter to you and your company from UFCW Local 342. Also we request your company name and address, and other official contact information, Thank you Lisa O'Leary

G.C. 24

Lisa O'Leary

From: Lisa O'Leary
Sent: Thursday, July 7, 2016 12:12 PM
To: Douglas P Catalano
Cc: Sharon Konzelman; Lou Sollicito
Subject: FW: UFCW Local 342 bargaining-Key Food

Importance: High

I send this email to memorialize our phone conversation this morning, wherein you advised me that your legal position, on behalf of Key Food, is that there is a contract with Local 342 already and thus there is no need to bargain. You stated that Local 342 had a Complaint issued and so you were going to litigate it. Local 342 will respond accordingly to the employer's refusal to bargain. Please be advised that Local 342's demand to bargain is continuing, as our position is there is no contract, there is no impasse, and that Key Food has the obligation to bargain with Local 342 in good faith to reach a mutual agreement. Local 342 suggests that the employer rethink its position, and meet to bargain with FMCS facilitating/assisting with the bargaining. Thank you for taking my call this morning, and should Key Food wish to bargain in the future please contact me for dates. Sincerely, LO

From: Lisa O'Leary
Sent: Wednesday, July 06, 2016 3:13 PM
To: Sharon Konzelman
Cc: Douglas P Catalano; Lou Sollicito
Subject: FW: UFCW Local 342 bargaining-Key Food
Importance: High

Please advise when you are available to bargain. If Local 342 does not receive any type of response by Friday, July 8th, 2016, we will assume that Key Food is refusing to bargain. Thanks LO

From: Lisa O'Leary
Sent: Tuesday, July 5, 2016 3:17 PM
To: Sharon Konzelman
Cc: Douglas P Catalano; Lou Sollicito
Subject: FW: UFCW Local 342 bargaining-Key Food
Importance: High

Please advise what dates you are available to bargain. Thank you LO

From: Lisa O'Leary
Sent: Friday, July 01, 2016 11:39 AM
To: Sharon Konzelman
Cc: 'Douglas P Catalano'; Lou Sollicito
Subject: FW: UFCW Local 342 bargaining-Key Food
Importance: High

Good morning- just a reminder that I have not had a response to our request to book dates for negotiations. Please note that the 13th of July is no longer available, but Local 342 offers the 14th of July as a replacement date for the 13th. The rest of the dates I offered are still available as of today. We would appreciate a response as soon as it is convenient for you, so we can confirm a meeting. Thank you LO

From: Lisa O'Leary
Sent: Thursday, June 30, 2016 3:02 PM
To: Sharon Konzelman
Cc: Douglas P Catalano; Lou Sollicito
Subject: FW: UFCW Local 342 bargaining-Key Food

Just a reminder that Local 342 is requesting dates to bargain, as the employer did not answer my previous request for dates. Thank you LO

From: Lisa O'Leary
Sent: Tuesday, June 28, 2016 7:23 PM
To: Sharon Konzelman
Cc: Douglas P Catalano; Lou Sollicito
Subject: UFCW Local 342 bargaining-Key Food

Local 342 is available to bargain on July 6th & 7th, the 12th & 13th, and the 18th through the 21st. Please review these dates, and advise when you would like to bargain. Once we agree on dates we can discuss times and locations. Thank you LO

G.C. 25

KEY FOOD RULES & REGULATIONS

OUR GOAL IS 100% CUSTOMER SATISFACTORY
ALWAYS SERVICE WITH A SMILE

Nora Dol

phone 1/718/330/772

YOUR RESPONSIBILITY:
We sincerely hope that this policy manual will serve to remind you of our common purpose, which is to maintain a business climate in which we can all prosper & enjoy our work.

* It is important for you to understand that the subjects discussed in this booklet are matters of COMMON POLICY. This means that:

YOU ARE EXPECTED TO BE FAMILIAR WITH AND ADHERE TO COMPANY POLICY AT ALL TIMES. VIOLATIONS OF COMPANY POLICY MAY RESULT IN DISCIPLINARY ACTION AND CAN BE SUFFICIENT CASE FOR SUSPENSION, DISMISSAL AND, IN SOME CASES, PROSECUTION.

If you have any questions regarding policy as set forth in this booklet, contact yours Store Manager.

The fact is that all of the policies referred to in this booklet are COMMON SENSE rules--conduct that your own good judgment would dictate.

Your compliance with the regulations and procedures that follow will help your company meet objectives for future growth, and will at the same time secure your own position as a valuable member of Key Food Supermarket

A BUSINESS CLIMATE:
You are an important member of this team. As such, you are expected to conduct yourself in a business-like manner at all times. Pleasant, fair, and courteous conduct in dealing with customers, with fellow Employees and the company should always be the rule. **Loudness, boisterous laughter, horseplay, abusive language and discourtesy to customers in any form are not acceptable. Use of foul language to any manager or supervisor is a form of insubordination, and will be cause for disciplinary action.**

Employees are not permitted to loiter in the store at any time before, during or after work shift. Key Food provides music for our customers enjoyment. Employees are not permitted to bring radios tape players, television sets, etc. into the store

CUSTOMER COMPLAINTS:
All merchandise in our store is 100% guaranteed to the customers complete satisfaction. We handle any and all customer complaints quickly and courteously. Refer all complaints to your manager for immediate action.

TIPPING:
Accepting a tip (anything of monetary value) is not permitted. If a tip is offered to an employee of key food , it should be politely but firmly refused.

Employees are not to ask for, or accept samples or gifts from salesmen or deliverymen. Employees are not to ask for or accept spoils which a salesman or deliveryman removes from the store.

HONESTY:
Honesty is the best policy. It is the only policy--both in your dealings with fellow Employees and in your work. Removal (or attempted removal) of merchandise or equipment from the store is theft. This - and any other dishonest act - will result in termination AND/ OR PROSECUTION, DECEPTION practiced with Key Food, receiving documents, discounting orders and falsification of any records such as, but not limited to, the employees application form, time cards, worker's compensation, medical or other benefit claims, and doctors certificate, are considered dishonest acts, and are grounds for dismissal.

LOYALTY:
Our most important asset, one that does not appear on our balance sheets- is our loyal work force. Your company cannot afford to retain and will not retain in its employ any person who have a conflict of interest, such as working for a competing supermarket chain or owning their own food business. * **NO TRASH TALKING THE COMPANY OR THE AUTHORITY.**

DRINKING:
Consumption of alcoholic beverages anywhere on company premises including parking lots, will result in immediate dismissal. An Employee may not exhibit evidence of alcoholic drinking while at work (including lunches and breaks) or be under the influence of alcoholic beverages.

DRUGS:
ANY Employee who is found to be using illegal drugs anywhere on the company premises and including lunches and breaks, or anyone whose work is found to suffer from the effect of such drugs shall be subject to dismissal. Anyone found selling illegal drugs, acting as a middleman for such a sale, or having possession of illegal drugs or anyone concealing such activity shall be subject to dismissal and/ or possible criminal prosecution

WEAPONS:
With the safety and well being of all employees in mind, unauthorized weapons of any type are absolutely banned from company premises, including parking lots. This includes hand guns and rifles of all types (loaded or unloaded , as well as ammunition), knives or any article which may be considered a weapon. Unauthorized possession of weapons will result in dismissal.

GAMBLING:
Whether or not you elect to indulge in gambling on company premises- including bookmarking, cards, dice, numbers - is strictly forbidden, and is grounds for termination.

SOLICITATION:
Solicitation is defined as the selling of merchandise or services, charitable contributions petitions of any nature, illegal gambling items, etc. Employees may not directly or indirectly solicit other associates for any purpose during scheduled work hours while on company property. Non- Employees are not authorized on company premises at any time for the purpose of soliciting Key Food. Employees who are approached by a non- associate soliciting on company property should immediately report this to store management.

SMOKING/EATING/DRINKING:
IS PROHIBITED BY CASHIERS AT REGISTERS. EMPLOYEES ARE NOT PERMITTED TO EAT, DRINK OR SMOKE WHILE WORKING. RESTBREAKS AND LUNCH HOURS MUST BE TAKEN AWAY FROM THE SELLING AREA. NO SMOKING IN FRONT OF STORE! EMPLOYEES ARE NOT PERMITTED TO TAKE ANY MERCHANDISE FROM THE SHELVES FOR THEIR OWN PERSONAL USE. (EXAMPLE: food, beverages, health and beauty aids etc.)

Merchandise needed for store use must be approved.

ENTERING AND LEAVING:
Employees, customers, vendors and salesmen, with the exception of delivery men who must bring their product to the specifies security receiving door, must enter and leave the store by customer entrances and exists only. All packages and merchandise brought in or taken out of the store must be checks by the Store Manager, or his/her designated representative. Salesman, vendors, agents and other persons visiting the store on business must be asked to check first with the Store Manager. In this way, embarrassing situations will be prevented.

MAINTAINING STORE AND EQUIPMENT:
Without our stores facilities and its contents, we would be ill- equipped to service our customers and to provide employment for our employees, It is particularly important, therefore, that we all work to maintain both plant and equipment

This includes uniforms, linen, marking guns, cutters, cash registers and all mechanical equipment. Willful or negligent destruction of company property or merchandise, including defacing walls in back rooms and rest areas, is a violation of company policy and will result in immediate dismissal.

There are probably several other prohibitions that relate to this are which might be listed in a policy manual such as this. What is more important, however, is that you recognize the positive steps you can take to help maintain the store and equipment. The ultimate responsibility for maintaining a clean, and safe work area is yours.

RESPONSIBILITY TO SUPERVISION:
At all times, you are responsible to your supervisor. He/she is in turn held accountable by his/her superiors for your performance. He/she must, therefore, know your whereabouts at all times. You must never leave your assigned work area without the knowledge and prior approval of your department manager or Store Manager.

Your Store Manager and other department managers expect you to comply with job methods and instructions they issue. We respect your right to disagree with them, however, in order to avoid disruption the work process, you should undertake the work as instructed and later inform your manager of your opinion. In doing this, you should take care not to be insubordinate.

IN THE EVENT YOU HAVE DIFFICULTY IN YOUR DEALINGS WITH A PARTICULAR EMPLOYEE OR GROUP OF EMPLOYEES, YOU ARE ENCOURAGED TO DISCUSS THE MATTER WITH YOUR STORE MANAGER. HE/ SHE HAS BEEN TRAINED TO HANDLE SUCH MATTERS. BY PROVOKING A FIGHT OR INVOLVING YOURSELF IN A FIGHT, YOU WILL BE DOING DAMAGE TO YOUR OWN GOOD REPUTATION AND RISK LOSING YOUR JOB.

PUNCTUALITY, ATTENDANCE AND BREAKS-

KEY FOOD prides itself in running a smooth flowing operation, and punctuality of all employers is necessary part of this. Tardiness upsets work schedules and disrupts the entire store. You must be in uniform and at your post of duty at your scheduled starting time. Excessive or "pattern" tardiness means be grounds for dismissal (Pattern tardiness means being late every Mohday morning, for example.)

If at any time you discover that, for reasons of illness or for some other reason, you are unable to work your scheduled hours, you must call and text the Store Manager. To allow time to seek a replacement you should call the evening before the scheduled day. If its is not possible, then a call must be made no later than two hours before your scheduled starting time.

If an employer is late more than four times within a 30 day period, he or she faces suspension or possible termination.

During illness, you must call the Store Manager each day of your illness to report approximate time when you will be able to return to work. For illness or for any other reason, if you do not report to work when scheduled and neglect to notify the Store Manager within 72 hours, you will be terminated.

You cannot appear at the store unannounced after an absence and expect to be scheduled immediately for work. After an absence or illness, you must call the Store Manager by at least 4 P.M. of the workday before you intend to return. If you fail to maintain contact with your Store Manager as outlined above, the company will regard your actions as a termination of your employment on your own accord.

IT SHOULD BE OBVIOUS WHY IN AN OPERATION SUCH AS OURS WE CANNOT TOLERATE EXCESSIVE OR "PATTERN" ABSENTEEISM.

RETURN TO WORK:

in cases where an employee has been absent, due to illness to Key Food reserves the right to request that a doctor verify the employees ability to return to work and to the same job that the employee's capability. Key Food reserves the right to use an examination by a company doctor to obtain a final decision concerning the Employee's ability to return to work after illness. This is for your own protection, as well as others.

TIME CARD PROCEDURES:

NO STANDING AT THE CLOCK. YOU ARE RESPONSIBLE FOR PUNCHING YOUR OWN TIME CARD AT THE BEGINNING AND END OF YOUR WORK SCHEDULE , AND UPON LEAVING AND RETURNING FROM LUNCH AND / OR SUPPER BREAKS.

You are responsible for your own card and for no other. Any Employees who deliberately punches another Employees time card, does so in violation of company policy, and is subject to immediate termination.

The purpose of the time card, is to provide a record of the daily hours worked by each Employee as outlined on the work schedule. If you are to be paid correctly, extreme care must be taken when punching your time card.

Time cards are legal documents. Employees are not permitted to write anything on their time card.

If you have question, or a problem, (example: forgetting to punch in or out) notify the Store Manager immediately. Repeated failure to comply with time card procedures will result in disciplinary action.

**** WHEN PUNCHING IN, YOU MUST BE IN UNIFORM AND READY FOR WORK. IMMEDIATELY UPON FINISHING WORK AND BEFORE CHANGING INTO STREET CLOTHES, YOU ARE EXPECTED TO PUNCH OUT. YOU ARE EXPECTED TO RETURN TO YOUR WORK AREA AND BE READY TO RESUME WORK AT THE END OF BREAK PERIOD.**

Time allotted for rest breaks and lunch hours may not be exceeded.

YOUR EMPLOYMENT RECORD:

The proper maintenance of your employment records is vitally important to you as well as to your company. Personnel records contain all the information considered vital for your advancement, and for the various management and government reports which must be prepared periodically you must notify your Store Manager immediately of any changes in the following: your name, your address, your home telephone number, your marital status or change in dependents.

Violation of this company policy will result in disciplinary action, and is subject to immediate termination.

PARKING:
NOT ALLOWED IN PARKING LOT.

CASH REGISTER PROCEDURES:
All cashiers must be familiar with regulations on cash register procedures. If you are not , or if you have questions, contact your Front End Manager /Store Manager. Registers must be rung according to company rules.

ALL CASHIERS ARE REQUIRED TO COUNT THEIR REGISTER DRAWER.

Payment for all sales must be put into the cash register drawer after each transaction. Merchandise may not be bagged/ removed until it has been paid for. Scan everything Then pack.

Receipts from sales may not be used for anyone's personal use. Lending or borrowing money for any reason from the cash register drawer, is not permitted.

Cashiers may not conduct any personal business while operating a cash register. (example: cashing your own payroll check, making change for yourself, or ringing up themselves.)

All cashiers are responsible for their own registers drawer. If you are given the responsibility of training a new cashier, you are responsible for your register. Stay with your trainee.

Never let another cashier work your register when you leave for a break, lunch hour, performance of other duties or for any other reason.

Always count whatever money is given to you , including change and singles.

Never cash a check without the manager or assistant manager's authorization (signature) and proper information is taken from customer.
(example: driver license # in back and only for amount of purchased)

NEVER PUT A CHECK IN YOUR REGISTER WITHOUT WRITING IT UP.

If you feel you have too much money in your register drawer, quietly inform the manager that you need a pick-up. (USE YOUR LIGHTS)

Articles of clothing and pocketbooks are not to be stored at the check-out counter These must be stored in the designated area.

**WHILE CUSTOMERS ARE BEING CHECKED OUT, THE CASH DRAWER IS KEPT CLOSED. ALL SALES MUST BE RUNG UP ON THE REGISTER PRIOR TO PLACING MERCHANDISE AT THE BACK END OF CHECK-OUT COUNTER. YOUR FAILURE TO RING UP EACH AND EVERY ITEM AT THE PROPER PRICE WILL RESULT IN IMMEDIATE DISMISSAL. IF THE PRICE MARKED IS ILLEGIBLE, DO NOT GUESS - CALL THE FRONT END MANAGER OR STORE MANAGER. MONEY IS TO BE PLACED INTO THE CASH REGISTER ONLY AFTER IT HAS BEEN RUNG UP. ALL CUSTOMERS MUST RECEIVE A RECEIPT ONLY AFTER IT HAS BEEN RUNG UP. ALL CUSTOMERS MUST RECEIVE A REGISTER TAPE ON COMPLETION OF THEIR PURCHASES.

Registers must be locked when cashiers leave the register for breaks, lunch hour, performance of other duties, or any other reason. (example: no sale /sign off)

Overrings or voids must be immediately corrected by the Store Manager or the person in charge of the front End. Any error in customers order must be reported to the Store Manager or his/her designate before it is corrected by the cashiers will not be tolerated.

***CASHIERS MAY NOT CHECK OUT RELATIVES OR FRIENDS OR CO-WORKERS.**

A CASHIER MAY BE THE ONLY STORE EMPLOYEE WITH WHOM THE CUSTOMER HAS FACE-TO -FACE CONTACT, SO THE IMPORTANCE OF COURTESY CANNOT BE OVEREMPHASIZED, EACH CUSTOMER SHOULD RECEIVE A CASHIER'S UNDIVIDED ATTENTION, AND SHOULD BE THANKED AT THE END OF EACH SALE. NO TALKING TO OTHER CASHIERS NEXT TO YOU FINISH WITH YOUR CUSTOMER FIRST.

SAFETY:

We encourage you to practice good safety rules at all times. Safety equipment, where provided, must be used.

****FOR WOMEN****

COURTEOUS AND PLEASANT MANNER
HAIR NEAT- NO ROLLERS, BANDANAS OR KERCHIEFS
MINIMUM MAKE- UP
NO CONSPICUOUS JEWELRY
CLEAN HANDS AND NAILS
COMFORTABLE FLAT HEEL SHOES
NO SHORTS OR SKIRTS
NO OPEN TOE SHOES

Clean smocks or [illegible]-shirts, when provided, must be worn. Employees are permitted to wear jeans if they are clean and neat, and not patched or frayed or have holes. Shorts of any type are not appropriate for work.
CLEAN UNIFORMS!

NOTES:
There may be local ordinance which are more restrictive that the above. If this is the case in your store, your Store Manager will inform you, and you will be guided by these local laws.

YOU SHOULD ALWAYS REMEMBER THAT YOUR APPEARANCE IS A REFLECTION NOT ONLY ON YOURSELF, BUT ON THE COMPANY.

WORK HABITS:
YOU SHOULD DEVELOP AND PRACTICE GOOD WORK HABITS FOR YOUR OWN BENEFIT AS WELL AS FOR THE GOOD OF THE COMPANY AND OUR CUSTOMERS. POOR PERFORMANCE OF ANY AND ALL ASSIGNED DUTIES IS NOT ACCEPTABLE.

POLICY AND WORK RULE CHANGES:
As methods and procedure change, regulations will be updated from time to time. As a Key Food employee, you are responsible for keeping current with all information and for complying with outlines policies and changes which are published and posted on the bulletin boards or available to you in the store.

IT IS IMPOSSIBLE TO COVER EVERY SINGLE ACT OR MATTER: HOWEVER, ALL EMPLOYEES ARE EXPECTED TO CONDUCT THEMSELVES PROPERLY AT ALL TIME. IMPROPER CONDUCT OR MATTERS, EVEN THOUGH NOT SPECIFICALLY MENTIONED HEREIN, WILL SUBJECT THE EMPLOYEE TO DISCIPLINE. FAILURE OF THE COMPANY TO ENFORCE ANY RULE OR REGULATION OR DISCIPLINE ANY IMPROPER CONDUCT NOT SPECIFICALLY MENTIONED HEREIN, OR TO INSIST UPON ADHERENCE TO SUCH IN ANY SPECIFIC INSTANCE SHALL BE LIMITED SOLELY TO SUCH SPECIFIC INSTANCE AND SHALL NOT BE DEEMED A WAVIER OF THE RULES AND REGULATIONS, OR ESTABLISH A PRACTICE OR CUSTOM FOR ANY PAST OR FUTURE PURPOSE IN ANY MANNER WHATSOEVER DISPARITY OF TREATMENT FOR VIOLATIONS SHALL BE IN THE SOLE DISCRETION OF THE COMPANY.

AMENDMENTS:

- 1) THERE ARE TO BE NO LOANS, ADVANCES ON SALARIES TO ANY EMPLOYEE.
- 2) IF PURCHASING, ONLY A MANAGER CAN RING YOU UP! YOU ARE NOT ALLOWED TO RING UP ANY FAMILY, FRIENDS CO-WORKERS, NO EXCEPTIONS. YOUR MANAGER MUST ACTUALLY SCAN THE ITEMS. THANK YOU.
- 3) ALL EMPLOYEES ARE REQUESTED TO BUY OR SELECT FROM THE MEAT OR DELI CASES, JUST LIKE OUR REGULAR CUSTOMERS. ANY SPECIAL ORDERS HAS TO BE APPROVED BY MANAGEMENT
- 4) THERE WILL BE NO DISCOUNTS OR REDUCTION OF PRICES ON ANY GROCERY, DIARY, MEAT, DELI, FROZEN AND PRODUCE ITEMS IN STORE BY EMPLOYEES IF IT IS DONE, THIS WILL RESULT IN IMMEDIATE TERMINATION.
- 5) MANAGEMENT RESERVES THE RIGHT TO INSPECT AND CHECK ALL PURCHASES MADE BY EMPLOYEE, IF THERE IS AN ERROR AND IT IS DONE INTENTIONALLY EMPLOYEE'S FACES TERMINATION. (BOTH EMPLOYEE'S)
- 6) THERE IS TO BE NO LOITERING IN ANY SPECIFIC DEPARTMENT AT ANY TIME. (EXAMPLE: NO LOITERING IN THE DELI DEPARTMENT COMPANY TIME OR OFF COMPANY TIME. NO LOITERING IN ANY DEPARTMENT ON YOUR DAY OFF.)
- 7) THERE ARE TO BE NO FRIENDS RELATIVES OR ANY UNAUTHORIZED PERSONS TO VISIT ANY SPECIFIC DEPARTMENT UNLESS AUTHORIZED BY MANAGEMENT

For your own protection, if you have an accident or injure yourself in any way, you should report it to your Store Manager immediately- regardless of how minor it might seem. If you witness an accident involving a customer, you should also report this immediately to store manager.

PHONE CALLS:
THE ONLY PHONE CALL TO BE MADE DURING WORKING HOURS ARE THOSE AUTHORIZED BY STORE MANAGER. (FOR EXAMPLE: IF YOU WISH TO CALL HOME WHEN ASKED TO WORK OVER YOUR SCHEDULES HOURS.) INCOMING CALLS WILL BE LIMITED TO CALLS OF AN EMERGENCY NATURE ONLY. OUTGOING CALL MAY ONLY BE MADE FROM PUBLIC PHONES. **NO CELL PHONES ON AT REGISTER! NO TEXTING!**

POLITICS:
YOUR COMPANY ENCOURAGES YOUR PARTICIPATION IN THE POLITICAL PROCESS. HOWEVER, SUCH ACTIVITY SHOULD BE RESTRICTED TO YOUR OWN TIME AND BE CONDUCTED AWAY FROM **COMPANY PROPERTY. NO POLITICAL OR LEGISLATIVE PETITIONS SHALL BE CIRCULATED ON COMPANY PROPERTY**

PERSONAL APPEARANCE:
AS A REPRESENTATIVE OF KEY FOOD YOU PRESENT AN IMAGE TO THE PUBLIC AND SHOULD OBSERVE GOOD GROOMING STANDARDS AT ALL TIMES. GOOD HYGIENE

CUSTOMERS WILL PARTICULARLY APPRECIATE SHOPPING IN A FOOD STORE WHERE THE EMPLOYEES ARE WELL GROOMED.

THE FOLLOWING IS A GUIDELINE:
****FOR MEN**:**
COURTEOUS AND PLEASANT MANNER
CLEAN SHAVEN
HAIR COMBED AND TRIMMED
CLEAN LIGHT COLOR SHIRT (WITH COLLAR)
NO SHORTS, PANTS ONLY.
CLEAN HANDS AND NAILS

- 8) THE EMPLOYEE WARNING NOTICE OR CORRECTIVE REVIEW SHEET _ IS AN INDICATION CITING AN EMPLOYEE'S PERFORMANCE OR ACTION VIOLATING COMPANY POLICY, OR BASIS RULES AND REGULATIONS. THERE OF SUCH WARNING NOTICES ISSUED TO A SPECIFIC EMPLOYEE WITHIN A THIRTY DAY PERIOD OR LESS WILL RESULT IN A DISCIPLINARY ACTION OR POSSIBLE TERMINATION.
- 9) ALL EMPLOYEES MUST PUNCH THEIR CARD WHEN LEAVING FOR LUNCH , BREAK, 15 OR 30 MINUTE BREAK ENTERING AND LEAVING WORK. **(NO STANDING AT CLOCK!)**
- 10) ANY EMPLOYEE AFTER CAREFULLY READING THE COMPANY POLICY BOOK, REFUSES TO SIGN THE LAST PAGE, INDICATES HE OR SHE DOES NOT DESIRE TO COMPLY TO THE RULES AND REGULATIONS OF THE KEY FOOD SUPERMARKET. THEREFORE, SUCH EMPLOYEE IS NOT REQUESTED TO BECOME EMPLOYED BY KEY FOOD. THANK YOU.
- 11) NO SHOPPING OR STORING MERCHANDISE AT REGISTERS ON COMPANY TIME OR IN ANY DEPARTMENTS.
- 12) YOU CAN ONLY GO TO REGISTERS DESIGNATED OF EMPLOYEE PURCHASES! **THANK YOU,** [redacted]

G.C. 28

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") dated as of November 16, 2015, is entered into between Key Food Stores Co-Operative, Inc., a New York corporation ("Key Food") and the undersigned ("Member"). Key Food and Member are referred to collectively herein as the "Parties". Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the A&P Asset Purchase Agreement (defined below).

RECITALS

WHEREAS, The Great Atlantic & Pacific Tea Company, Inc., a Maryland corporation ("A&P Company"), Food Basics, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Food Basics"), APW Supermarkets, Inc., a New York corporation and a wholly-owned subsidiary of A&P ("APW"), Shopwell, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Shopwell"), Pathmark Stores, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Pathmark"), A&P Live Better, LLC, a Delaware limited liability company ("Live Better"), A&P Real Property, LLC, a Delaware limited liability company and a wholly-owned subsidiary of A&P ("A&P Real Property" and, together with A&P, Food Basics, APW, Shopwell, Pathmark and Live Better, "A&P") desire to transfer certain assets and liabilities associated with the operation of supermarkets under the names "A&P", "Pathmark", "Food Basics", "Waldbaums" and "Food Emporium" (the "A&P Stores");

WHEREAS, Key Food and certain of its members, including Member, desire to acquire certain assets and assume certain liabilities associated with the operation of certain A&P Stores (each a "Store" and, collectively, the "Stores", and such transaction, the "Acquisition"), and in connection with such Acquisition, Key Food (acting individually and on behalf of such members) and A&P entered into an Asset Purchase Agreement, dated as of July 19, 2015 (the "A&P Asset Purchase Agreement");

WHEREAS, pursuant to Section 9.6 of the A&P Asset Purchase Agreement, Key Food has the right to assign and transfer any of its rights and obligations under the A&P Asset Purchase Agreement, in whole or in part, to one or more of its members, or designate one or more of its members to perform its obligations under the A&P Asset Purchase Agreement, in whole or in part; and

WHEREAS, Key Food desires to transfer and assign to Member, and Member desires to acquire and assume from Key Food, certain of the rights and obligations under the Asset Purchase Agreement with respect to the Store(s) set forth on Schedule A (the "Member Stores") and at the time of Closing, Member shall, pursuant to a Sale Order entered into by the Bankruptcy Court and in accordance with the terms of the A&P Asset Purchase Agreement, acquire certain specified assets and assume certain specified liabilities in connection with such Member Stores directly from A&P.

NOW, THEREFORE, in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties hereby agree as follows:

ARTICLE I
TRANSACTIONS

Section 1.1 Member Store Assignment and Assumption. On the terms and subject to the conditions set forth in this Agreement, at any time after the entry of the Bankruptcy Court Sale Order and prior to the Closing, Member and Key Food agree to enter into an assignment and assumption agreement substantially in the form attached hereto as Exhibit A (the "Assignment and Assumption Agreement") pursuant to which (A) Key Food shall transfer and assign to Member all of Key Food's rights and obligations under the A&P Asset Purchase Agreement with respect to the Acquired Assets (as defined in the A&P Asset Purchase Agreement) that are primarily used or held for use in the Member Stores (the "Member Acquired Assets"), and (B) Member will assume and become responsible for the Assumed Liabilities (as defined in the A&P Asset Purchase Agreement) relating to or arising out of the Member Stores and/or the Member Acquired Assets (the "Member Assumed Liabilities").

Section 1.2 Purchase Price. The purchase price for the Acquisition of the Member Stores shall be as set forth on Schedule B (the "Member Store Purchase Price") and be payable to A&P.

Section 1.3 Financing. Key Food shall provide a loan to Member at the Closing on terms acceptable to Key Food in an amount equal to the aggregate Member Store Purchase Price minus the amount of the aggregate Cash Installments (or such other lower amount agreed to by the Parties hereunder), which loan amount for the avoidance of doubt, shall not exceed 70% of the total Member Store Purchase Price ("Member Loan") for purposes of payment of the Member Store Purchase Price. Member shall issue a note to Key Food evidencing the Member Loan in form and substance to be reasonably determined by Key Food and shall enter into any other agreements or deliver any documents reasonably required in connection thereof (the "Loan Documents"). Member shall provide such collateral or other security as are reasonably required by Key Food and any of its lenders in connection with the Member Loan.

Section 1.4 Payment of Member Store Purchase Price. The Member Store Purchase Price shall be paid as follows:

(a) Member shall pay an amount in cash set forth under the heading "Cash Inst." on Schedule A (the "Cash Installment"). The Parties acknowledge and agree that Member has deposited with Key Food or agreed to Key Food withholding from the patronage due to such Member, an amount set forth on Schedule A pursuant to certain Letter Agreement between Member and Key Food dated as of July 2015 ("Member Deposit") and for administrative convenience, the Cash Installment may be paid to A&P by Key Food on behalf of Member from such Member Deposit.

(b) Member shall pay the remainder of the Member Store Purchase Price to A&P from the proceeds of the Member Loan. For administrative convenience, such amount may be paid directly by Key Food or its lenders from their respective accounts on behalf of Member.

For the avoidance of any doubt, no consideration shall be payable by the Member to Key Food with respect to the assignment and assumption transactions described in Section 1.1 above.

Section 1.5 Deposit. Member acknowledges and agrees that a portion of the Member Deposit, in an amount equal set forth on Schedule A under the heading "Member A&P Escrow Deposit" representing 12.5% of the Member Cash Purchase Price (as such term is defined herein) is required to be, and shall be, deposited with an escrow agent in accordance with the terms of the A&P Asset Purchase Agreement and the Escrow Agreement. The Member Deposit shall be treated as follows:

(a) If the Closing shall occur, the Member Deposit, if any, shall be applied towards the payment of the Cash Installment of the Member Store Purchase Price payable by Member to A&P under Section 1.4;

(b) If the Closing does not occur and the A&P Asset Purchase Agreement is terminated in circumstances in which A&P is entitled to receive all or a portion of the "Escrow Amount" (as such term is defined in the A&P Asset Purchase Agreement) the Member A&P Escrow Deposit shall be paid to A&P and the remainder of the Member Deposit, shall be returned to Member; or

(c) If the Closing does not occur and the A&P Asset Purchase Agreement is terminated in circumstances in which A&P is not entitled to receive all or a portion of the "Escrow Amount", the Member Deposit shall be delivered to Member upon return of such Escrow Amount to Key Food; or

(d) If any Member Store(s) is treated as an Excluded Store under the A&P Asset Purchase Agreement and the Member A&P Escrow Deposit associated with such Member Store(s) is returned to Key Food, the Member Deposit paid by Member shall be returned to Member upon return of such amount to Key Food.

Section 1.6 Right to Offset. Member agrees that Key Food may satisfy any amounts owed by Member to A&P pursuant to Sections 1.4 or 1.5 by an offset by Key Food against all patronage dividends, distributions and any other amounts owed by Key Food to Member.

Section 1.7 Allocation of Purchase Price. Member shall have the right to allocate the Member Store Purchase Price with respect to the Member Store in accordance with Section 2.7 of the A&P Asset Purchase Agreement. To the extent applicable, Member shall file all tax returns (including amended returns and claims for refund) and information reports in a manner consistent with such allocation.

Section 1.8 Repurchase Rights. In the event Member intends either to withdraw from Key Food in accordance with the Amended and Restated By-Laws of Key Food (the "Bylaws") and/or to sell a Member Store on or before the fifth (5th) anniversary of the Closing, Member shall promptly provide written notice of its intent to withdraw and/or to sell to Key Food, and Key Food or its designee may elect to purchase one or more Member Store(s) by delivering written notice to Member within sixty (60) days of receipt of Member's written

notice. If Key Food or its designee elects to purchase one or more Member Store(s) pursuant to this Section 1.8, (a) the purchase price for each Member Store shall not exceed the lower of (i) 90% of the total Member Store Purchase Price paid by Member for such Member Store(s) or (ii) the then fair market value of such Member Store(s) as reasonably determined by Member and Key Food, provided that, if Member and Key Food are unable to make such determination within thirty (30) days of Key Food's election, the parties shall promptly engage an independent appraiser experienced in the valuation of supermarkets for purposes of conducting such valuation and the determination of such appraiser shall be final and binding on Member and Key Food. Key Food shall prepare all repurchase documentation and shall be entitled to receive customary representations and warranties as to ownership, title, authority to sell and other similar customary representations and warranties from Member regarding such sale and to receive such other evidence, including applicable inheritance and estate tax waivers, as may reasonably be necessary to effect the purchase of the Member Stores. The provisions of Section 7(e) of the Bylaws currently in effect pertaining to leasehold interests shall apply to any purchase of Member Stores pursuant to this Section 1.8.

ARTICLE II
Closing

Section 2.1 Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Ropes & Gray, LLP located at 1211 Avenue of the Americas, New York, NY or any other location designated by Key Food on the date (the "Closing Date") upon which the closing under the A&P Asset Purchase Agreement occurs. For purposes of this Agreement and the transactions contemplated hereby, the Closing will be deemed to occur and be effective at 12:01 am, New York City time, on the Closing Date.

Section 2.2 Closing Deliverables. At or prior to the Closing, Key Food and Member shall deliver the following documents:

(a) the Assignment and Assumption Agreement duly executed by Key Food and Member, to be delivered at any time after the entry of the Bankruptcy Court Sale Order and prior to the Closing;

(b) an assignment and assumption agreement substantially in the form as attached to the A&P Purchase Agreement duly executed by A&P and Member, effecting the assignment and assumption by Member of the Member Acquired Assets, including the Leases with respect to the Member Store, and the Member Assumed Liabilities;

(c) a bill of sale (the "Bill of Sale") substantially in the form as attached to the A&P Purchase Agreement duly executed by A&P and Member, transferring the Member Acquired Assets to Member;

(d) the Loan Documents with respect to the Member Loan; and

(e) such other assignments and other good and sufficient instruments or documents of assumption and transfer, in form reasonably satisfactory to the Parties, as either Party may reasonably request, to transfer and assign the Member Acquired Assets.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF KEY FOOD

Key Food hereby represents and warrants to Member that the statements contained in this Article III are true and correct as of the date hereof and as of the Closing Date.

Section 3.1 Organization of Key Food. Key Food is a corporation duly organized, validly existing, and in good standing under the laws of the State of New York and has all requisite corporate or other organizational power and authority to own, lease, and operate its assets and to carry on its business as now being conducted.

Section 3.2 Power and Authorization. Key Food has all requisite power and authority to execute and deliver this Agreement and the agreements referenced herein to which it is a party, and to perform its obligations under such agreements and to consummate the transactions contemplated thereby. The execution and delivery by Key Food of this Agreement and the agreements referenced herein to which it is a party have been duly and validly authorized by all necessary corporate action on Key Food's part.

Section 3.3 Disclaimer of Other Representations and Warranties. Except for the representations and warranties contained in this Article III or expressly contained in any of the agreements referenced herein, neither Key Food nor any other Person shall be deemed to have made any representation or warranty, express or implied, including as to the accuracy or completeness of any information regarding Key Food, any Member Acquired Assets, any Assumed Liabilities or any other matter. Notwithstanding anything herein to the contrary, but without limitation of any representation or warranty expressly contained in this Article III or any of the agreements referenced herein, KEY FOOD MAKES NO OTHER (AND HEREBY DISCLAIMS EACH OTHER) REPRESENTATION, WARRANTY, OR GUARANTY WITH RESPECT TO THE VALUE, CONDITION, OR USE OF THE MEMBER ACQUIRED ASSETS, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MEMBER ACKNOWLEDGES THAT, SHOULD THE CLOSING OCCUR, MEMBER WILL ACQUIRE THE MEMBER ACQUIRED ASSETS AND ASSUME THE MEMBER ASSUMED LIABILITIES IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING ANY WITH RESPECT TO ENVIRONMENTAL, HEALTH, OR SAFETY MATTERS). Key Food disclaims all liability and responsibility for any representation, warranty, projection, forecast, statement, or information made, communicated, or furnished (orally or in writing) to Member or its affiliates or representatives (including any opinion, information, projection, or advice that may have been or may be provided to Member by any director, officer, employee, agent, consultant, or representative of Key Food or any of their affiliates).

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF MEMBER

Member hereby represents and warrants to Key Food that the statements contained in this Article IV are true and correct as of the date hereof and as of the Closing Date.

Section 4.1 Organization of Member. Member, if Member is not a natural person, is a corporate entity duly organized, validly existing, and in good standing under the laws of the state of its incorporation or formation as the case may be and has all requisite corporate or similar power and authority to own, lease, and operate its assets and to carry on its business as now being conducted.

Section 4.2 Power and Authorization. Member has all requisite power and authority to execute and deliver this Agreement and the agreements referenced herein to which it is a party, and to perform its obligations under such agreements and to consummate the transactions contemplated thereby. The execution and delivery by Member of this Agreement and the agreements referenced herein to which it is a party have been duly and validly authorized by all necessary corporate action on Member's part.

Section 4.3 Noncontravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article I) will (a) to the extent applicable, conflict with or result in a breach of the certificate of incorporation or bylaws, or other organizational documents, of Member, (b) violate any law or order to which Member is, or its assets or properties are, subject or (c) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any Contract to which Member is a party or by which it is bound, except, in the case of either clause (b) or (c), for such conflicts, breaches, defaults, accelerations, rights or failures to give notice as would not, individually or in the aggregate, have a material adverse effect on Member. Member is not required to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Governmental Authority in order for the Parties to consummate the transactions contemplated by this Agreement or agreement referenced herein, except where the failure to give notice, file or obtain such authorization, consent or approval would not, individually or in the aggregate, prevent or materially impair or delay Member's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis.

Section 4.4 Litigation; Decrees. Neither Member nor any affiliates is subject to any pending litigation or outstanding order or judgment that would prevent or materially impair or delay Member's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis.

Section 4.5 Sufficient Funds; Adequate Assurances. Assuming funding in full of the Member Loan pursuant to Section 1.3, at the Closing, Member will have immediately available funds sufficient for the satisfaction of all of Member's obligations under this Agreement and to the extent applicable, the A&P Asset Purchase Agreement, including the payment of the Member Store Purchase Price and all fees, expenses of, and other amounts required to be paid by Member in connection with the transactions contemplated hereby and the future performance of obligations under the applicable Leases being acquired by the Member.

Section 4.6 Member's Investigation. Member has conducted its own independent investigation, review and analysis of the business, operations, assets, liabilities, financial condition and prospects of the Member Stores, which investigation, review and analysis

was done by Member and, to the extent Member deemed appropriate, by Member's representatives. In entering into this Agreement, Member acknowledges that it has relied solely upon the aforementioned investigation, review and analysis and not on any factual representations of Key Food or their respective representatives except the specific representations and warranties of Key Food set forth in this Agreement, as qualified and limited by the schedules hereto. Member represents and warrants that Member has carefully read this Agreement, the A&P Asset Purchase Agreement and other documents related thereto, and executes this Agreement with full knowledge of the contents of this agreement, the legal consequences thereof, and any and all rights which the parties may have with respect to one another. Member has been advised to, and has had the opportunity to, consult with independent counsel prior to entering this Agreement. For the avoidance of doubt, Member agrees and acknowledges that it is not a third party beneficiary of the A&P Asset Purchase Agreement and nothing in this agreement, whether express or implied, is intended to or shall create any third party beneficiary rights in favor of Member.

ARTICLE V
COVENANTS

Section 5.1 Regulatory Approvals. Each of the Parties will give any notices to, make any filings with and use its commercially reasonable efforts to obtain any authorizations, licenses, consents and approvals of Governmental Authorities as necessary and appropriate to consummate the transactions contemplated hereby, including but not limited to, any licenses or permit required to transfer any alcohol or Pharmaceutical Inventory; provided, that, Member shall bear any reasonable costs necessary to obtain such authorizations, licenses, consents and approvals.

Section 5.2 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such taxes and fees (including any penalties and interest) incurred in connection with the transactions contemplated by this Agreement and the documents to be delivered hereunder, if any, shall be borne and paid by Member when due. Member shall, at its own expense, timely file any tax return or other document with respect to such taxes or fees (and Key Food shall cooperate with respect thereto as necessary).

Section 5.3 Guarantees; Commitments. Member agrees to use its reasonable best efforts to cause, to the extent permissible under applicable Law and the A&P Asset Purchase Agreement and the Sale Order and subject to all requisite third party consents, itself or one of its affiliates to be substituted for Key Food and any of its Affiliates, and for Key Food and its Affiliates to be released, in respect of all obligations of Key Food and any of its Affiliates under any guarantees, indemnities, letters of credit, letters of comfort, commitments, understanding, agreements and other obligations (and all subsequent renewals, extensions, modifications and amendments with respect to, or substitutions for) in respect of the Member Stores and/or the A&P Purchase Agreement (collectively, the "Substituted Guarantees"). If, as of the Closing, Member or one of its affiliates shall not have substituted itself for Key Food or its affiliates under, and caused Key Food and its Affiliates to be released from any Substituted Guarantee, Member shall indemnify and hold harmless Key Food and its Affiliates against any Damages that Key Food or its Affiliates suffer, incur or are liable for by reason of or arising out of or in consequence of such Substituted Guarantee.

Section 5.4 Modified Labor Agreements. Member acknowledges that pursuant to Section 6.3 of the A&P Asset Purchase Agreement, Key Food is obligated to engage in good faith negotiations, in coordination with A&P, toward reaching mutually satisfactory modifications to the relevant Affected Labor Agreement with each of the Affected Unions and to enter into a Modified Labor Agreement with each of the Affected Unions. Member hereby agrees to be bound by any such Modified Labor Agreement that is negotiated by Key Food or make any offers of employee as required by the A&P Asset Purchase Agreement.

Section 5.5 Further Assurances. From and after the Closing, upon the request of either Key Food or Member, each of the Parties hereto will do, execute, acknowledge and deliver all such further acts, assurances, deeds, assignments, transfers, conveyances and other instruments and papers as may be reasonably required or appropriate to carry out the transactions contemplated by this Agreement. Key Food shall, and shall cause its Affiliates to, assist Member with an orderly transfer of the Member Acquired Assets to Member.

ARTICLE VI
INDEMNIFICATION

Section 6.1 Survival. All representations, warranties, covenants and agreements contained herein and all related rights to indemnification shall survive the Closing.

Section 6.2 Indemnification by Member. Member shall defend, indemnify and hold harmless Key Food, its affiliates and their respective stockholders, directors, officers and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs and expenses, including attorneys' fees and disbursements ("Damages"), arising from or relating to:

(a) any inaccuracy in or breach of any of the representations or warranties of Member contained in this Agreement or any document to be delivered hereunder;

(b) any breach or non-fulfillment of any covenant, Agreement or obligation to be performed by Member pursuant to this Agreement or any document to be delivered hereunder; or

(c) any Member Assumed Liabilities.

Section 6.3 Cumulative Remedies. The rights and remedies provided in this Article VI are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

Section 7.2 Specific Performance. Each of the Parties acknowledges and agrees that the other parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, each of the parties agrees that, without posting bond or other undertaking, the other parties will be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any Action instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity.

Section 7.3 Termination. The Parties may terminate this Agreement at any time prior to the Closing (a) by the mutual written consent of the Parties or (b) by any Party upon the termination of the A&P Asset Purchase Agreement.

Section 7.4 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (b) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (c) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to Key Food: Key Food Stores Co-Operative, Inc.
1200 South Avenue
Staten Island, NY 10314
Attention: Dean Janeway / Sharon Konzelman
E-mail: DeanJ@keyfoods.com; skonzelman@keyfoods.com

With a copy, which shall not constitute notice: Ropes & Gray LLP
1211 Avenue of the Americas
Attention: Robert S. Fischler
Email: robert.fischler@ropesgray.com

If to Member: As set forth on Schedule A

Section 7.5 Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the documents to be delivered hereunder, the Exhibits and Disclosure Schedule (other than an exception expressly set forth as such in the Disclosure Schedule), the statements in the body of this Agreement will control.

Section 7.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.7 No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.8 Amendment; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving.

Section 7.9 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to its conflict of law rules.

Section 7.10 Member's Representative. Member hereby irrevocably constitutes and appoints Key Food as its true, exclusive and lawful agent and attorney-in-fact to act in the name, place and stead of Member in connection with the transactions contemplated by the A&P Asset Purchase Agreement, in accordance with the terms and provisions of the A&P Asset Purchase Agreement, and to act on behalf of Member in any action, suit or proceeding involving the A&P Asset Purchase Agreement, to do or refrain from doing all such further acts and things, and to execute all such documents as Key Food shall deem necessary or appropriate in connection with the transactions contemplated by the A&P Asset Purchase Agreement. Key Food will incur no liability to Member with respect to any action taken or suffered by any party in reliance upon any notice, direction, instruction, consent, statement or other document believed by Key Food to be genuine and to have been signed by the proper person (and Key Food shall have no responsibility to determine the authenticity thereof), nor for any other action or inaction, except its own gross negligence, bad faith or willful misconduct.

Section 7.11 Jurisdiction; Waiver of Jury Trial. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of New York in each case located in the city of New York City, borough of Manhattan, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Each Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.12 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall

not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 7.13 Release. Effective as of the Closing, Member hereby releases, remises and forever discharges any and all rights and claims that it has had, now has or might now have against Key Food or its Affiliates with respect to the Member Stores other than any rights or claims under this Agreement, the agreements referenced herein or any agreement entered into after the date hereof.

Section 7.14 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile copies or delivered by electronic communications by portable document format (.pdf), each of which shall be deemed an original.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

KEY FOOD:

KEY FOOD STORES CO-OPERATIVE, INC.

By _____
Name: Sharon Rodeiano
Title: VP Finance

1525 ALBANY AVE. MEAT, LLC

MEMBER:

By_____
Name:
Title:

Schedule A

Store Number	City	State	Address	Member Cash Purchase Price	Cash Inst.[1]	Member A&P Escrow Deposit
1962	Brooklyn	NY	1525 Albany Ave.	$600,000	$456,000	$75,000

Member Notice Address and Contact Information

1525 Albany Ave. Meat LLC
[Name of Member]

1525 Albany Ave.
Brooklyn, N Y 11210

[Address]

Attn: Sam Abed

[Email Address] supermanhere4u@aol.om

[1] "Cash Installment" means the amount of the aggregate cash paid for such Store, calculated as aggregate Member Store Purchase Price minus the amount of any Member Loans. Note Members loans shall not exceed 70% of the total Member Store Purchase Price.

Schedule B

Member Store Purchase Price

The Member Store Purchase Price shall be equal to the sum of:

(i) the amount set forth on Schedule A under the heading "Member Cash Purchase Price" *plus*

(ii) the amount of the Inventory Purchase Price with respect to the Inventory of the Member Stores as determined under Section 2.6 of the A&P Asset Purchase Agreement (the "Member Inventory Purchase Price"), *plus*

(iii) the amount of the Prepaid Expenses with respect to the Member Stores (the "Member Prepaid Expenses"), *plus*

(iv) the Seller Proration Amount with respect to the Member Stores, as determined under Section 2.8 of the A&P Asset Purchase Agreement, if any, *minus*

(v) the Buyer Proration Amount with respect to the Member Stores, as determined under Section 2.8 of the A&P Asset Purchase Agreement (the "Member Proration Amount"), if any, *plus*

(vi) the amount that Sellers are required to pay as Cure Costs with respect to the Member Stores (the "Member Cure Costs"), *plus*

(vii) the Register Cash held in the Member Stores (the "Member Register Cash").

EXHIBIT A

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") is made as of [•], 2015 by and between Key Food Stores Co-Operative, Inc., a New York corporation ("Key Food") and the undersigned ("Member"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Member Asset Purchase Agreement (defined below).

RECITALS

WHEREAS, Key Food and Member have entered into that certain Asset Purchase Agreement dated as of [•], 2015 by and between Key Food and Member (the "Member Asset Purchase Agreement"), pursuant to which, among other things, Key Food has agreed to assign all of its rights, title and interests in, and Member has agreed to assume and become responsible for all of Key Food's obligations under the A&P Asset Purchase Agreement (as such term is defined in the Member Asset Purchase Agreement) with respect to the Member Stores (as such term is defined in the Member Asset Purchase Agreement).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Subject to the terms and conditions set forth in the Member Asset Purchase Agreement, effective as of the Closing, Key Food hereby assigns, grants, conveys and transfers to Member all of Key Food's right, title and interest in and to the A&P Asset Purchase Agreement with respect to the Member Stores and Member hereby accepts such assignment and assumes all of Key Food's duties and obligations and agrees to pay, perform and discharge, as and when due, all of the obligations of Key Food under A&P Asset Purchase Agreement related to the Member Stores accruing on and after the Effective Date and Member agrees to pay, perform, honor, and discharge, or cause to be paid, performed, honored and discharged, all such obligations, including those in connection with the, Member Assumed Liabilities (as such term is defined in the A&P Asset Purchase Agreement) in a timely manner in accordance with the terms thereof.

2. Terms of the Member Asset Purchase Agreement. The terms of the Member Asset Purchase Agreement, including, but not limited to, the representations, warranties, covenants, agreements and indemnities relating to the Member Acquired Contracts are incorporated herein by this reference. The parties hereto acknowledge and agree that the representations, warranties, covenants, agreements and indemnities contained in the Member Asset Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between

the terms of the Purchase Agreement and the terms hereof, the terms of the Member Asset Purchase Agreement shall govern.

3. Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the other party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

4. Effective Date. This Agreement is effective as of the Closing, and shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Amendment. This Agreement may be amended or modified, but only by an instrument in writing executed by each of Key Food and Member.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule.

7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

KEY FOOD STORES CO-OPERATIVE, INC.

By_____
Name:
Title:

1525 ALBANY AVE. MEAT, LLC

By_____
Name:
Title:

G.C. 31

EXECUTION VERSION

ASSET PURCHASE AGREEMENT

This Asset Purchase Agreement (the "Agreement") dated as of October ___, 2015, is entered into between Key Food Stores Co-Operative, Inc., a New York corporation ("Key Food") and the undersigned ("Member"). Key Food and Member are referred to collectively herein as the "Parties". Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the A&P Asset Purchase Agreement (defined below).

RECITALS

WHEREAS, The Great Atlantic & Pacific Tea Company, Inc., a Maryland corporation ("A&P Company"), Food Basics, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Food Basics"), APW Supermarkets, Inc., a New York corporation and a wholly-owned subsidiary of A&P ("APW"), Shopwell, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Shopwell"), Pathmark Stores, Inc., a Delaware corporation and a wholly-owned subsidiary of A&P ("Pathmark"), A&P Live Better, LLC, a Delaware limited liability company ("Live Better"), A&P Real Property, LLC, a Delaware limited liability company and a wholly-owned subsidiary of A&P ("A&P Real Property" and, together with A&P, Food Basics, APW, Shopwell, Pathmark and Live Better, "A&P") desire to transfer certain assets and liabilities associated with the operation of supermarkets under the names "A&P", "Pathmark", "Food Basics", "Waldbaums" and "Food Emporium" (the "A&P Stores");

WHEREAS, Key Food and certain of its members, including Member, desire to acquire certain assets and assume certain liabilities associated with the operation of certain A&P Stores (each a "Store" and, collectively, the "Stores", and such transaction, the "Acquisition"), and in connection with such Acquisition, Key Food (acting individually and on behalf of such members) and A&P entered into that certain Asset Purchase Agreement dated as of October 14, 2015 (the "A&P Asset Purchase Agreement") in connection with its confidential binding bid for the acquisition of certain stores owned by A&P dated as of September 17, 2015;

WHEREAS, pursuant to Section 9.6 of the A&P Asset Purchase Agreement, Key Food has the right to assign and transfer any of its rights and obligations under the A&P Asset Purchase Agreement, in whole or in part, to one or more of its members, or designate one or more of its members to perform its obligations under the A&P Asset Purchase Agreement, in whole or in part; and

WHEREAS, Key Food desires to transfer and assign to Member, and Member desires to acquire and assume from Key Food, certain of the rights and obligations under the Asset Purchase Agreement with respect to the Store(s) set forth on Schedule A (the "Member Stores") and at the time of Closing, Member shall, pursuant to a Sale Order entered into by the Bankruptcy Court and in accordance with the terms of the A&P Asset Purchase Agreement, acquire certain specified assets and assume certain specified liabilities in connection with such Member Stores directly from A&P.

NOW, THEREFORE, in consideration of the mutual promises herein made, and in consideration of the representations, warranties and covenants herein contained, the Parties hereby agree as follows:

ARTICLE I
TRANSACTIONS

Section 1.1 Member Store Assignment and Assumption. On the terms and subject to the conditions set forth in this Agreement, at any time after the entry of the Bankruptcy Court Sale Order and prior to the Closing, Member and Key Food agree to enter into an assignment and assumption agreement substantially in the form attached hereto as Exhibit A (the "Assignment and Assumption Agreement") pursuant to which (a) Key Food shall transfer and assign to Member all of Key Food's rights and obligations under the A&P Asset Purchase Agreement with respect to the Acquired Assets (as defined in the A&P Asset Purchase Agreement) that are primarily used or held for use in the Member Stores (the "Member Acquired Assets"), and (b) Member will assume and become responsible for the Assumed Liabilities (as defined in the A&P Asset Purchase Agreement) relating to or arising out of the Member Stores and/or the Member Acquired Assets (the "Member Assumed Liabilities").

Section 1.2 Purchase Price. The purchase price for the Acquisition of the Member Stores shall be as set forth on Schedule B (the "Member Store Purchase Price") and be payable to A&P.

Section 1.3 Financing. Key Food shall provide a loan to Member at the Closing on terms acceptable to Key Food in an amount equal to the aggregate Member Store Purchase Price minus the amount of the aggregate Cash Installments (or such other lower amount agreed to by the Parties hereunder), which loan amount for the avoidance of doubt, shall not exceed 70% of the total Member Store Purchase Price ("Member Loan") for purposes of payment of the Member Store Purchase Price. Member shall issue a note to Key Food evidencing the Member Loan in form and substance to be reasonably determined by Key Food and shall enter into any other agreements or deliver any documents reasonably required in connection thereof (the "Loan Documents"). Member shall provide such collateral or other security as are reasonably required by Key Food and any of its lenders in connection with the Member Loan.

Section 1.4 Payment of Member Store Purchase Price. The Member Store Purchase Price shall be paid as follows:

(a) Member shall pay an amount in cash set forth under the heading "Cash Inst." on Schedule A to A&P (the "Cash Installment"). The Parties acknowledge and agree that Member has deposited with Key Food or agreed to Key Food withholding from the patronage due to such Member, an amount set forth on Schedule A pursuant to certain Letter Agreement between Member and Key Food dated as of September 2015 ("Member Deposit") and for administrative convenience, the Cash Installment may be paid to A&P by Key Food on behalf of Member from such Member Deposit.

(b) Member shall pay the remainder of the Member Store Purchase Price to A&P from the proceeds of the Member Loan. For administrative convenience, such amount may be paid directly by Key Food or its lenders from their respective accounts on behalf of Member.

For the avoidance of any doubt, no consideration shall be payable by the Member to Key Food with respect to the assignment and assumption transactions described in Section 1.1 above.

Section 1.5 Deposit. Member acknowledges and agrees that a portion of the Member Deposit, in an amount equal set forth on Schedule A under the heading "Member A&P Escrow Deposit" is required to be, and shall be, deposited with an escrow agent in accordance with the terms of the A&P Asset Purchase Agreement and the Escrow Agreement. The Member Deposit shall be treated as follows:

(a) If the Closing shall occur, the Member Deposit, if any, shall be applied towards the payment of the Cash Installment of the Member Store Purchase Price payable by Member to A&P under Section 1.4;

(b) If the Closing does not occur and the A&P Asset Purchase Agreement is terminated in circumstances in which A&P is entitled to receive all or a portion of the "Escrow Amount" (as such term is defined in the A&P Asset Purchase Agreement) the Member A&P Escrow Deposit shall be paid to A&P and the remainder of the Member Deposit, shall be returned to Member; or

(c) If the Closing does not occur and the A&P Asset Purchase Agreement is terminated in circumstances in which A&P is not entitled to receive all or a portion of the "Escrow Amount", the Member Deposit shall be delivered to Member upon return of such Escrow Amount to Key Food; or

(d) If any Member Store(s) is treated as an Excluded Store under the A&P Asset Purchase Agreement and the Member A&P Escrow Deposit associated with such Member Store(s) is returned to Key Food, the Member Deposit paid by Member shall be returned to Member upon return of such amount to Key Food.

Section 1.6 Right to Offset. Member agrees that Key Food may satisfy any amounts owed by Member to A&P pursuant to Sections 1.4 or 1.5 by an offset by Key Food against all patronage dividends, distributions and any other amounts owed by Key Food to Member.

Section 1.7 Allocation of Purchase Price. Member shall have the right to allocate the Member Store Purchase Price with respect to the Member Store in accordance with Section 2.7 of the A&P Asset Purchase Agreement. To the extent applicable, Member shall file all tax returns (including amended returns and claims for refund) and information reports in a manner consistent with such allocation.

Section 1.8 Repurchase Rights. In the event Member intends either to withdraw from Key Food in accordance with the Amended and Restated By-Laws of Key Food (the "Bylaws") and/or to sell a Member Store on or before the fifth (5th) anniversary of the Closing, Member shall promptly provide written notice of its intent to withdraw and/or to sell to Key Food, and Key Food or its designee may elect to purchase one or more Member Store(s) by delivering written notice to Member within sixty (60) days of receipt of Member's written notice. If Key Food or its designee elects to purchase one or more Member Store(s) pursuant to

this Section 1.8, (a) the purchase price for each Member Store shall not exceed the lower of (i) 90% of the total Member Store Purchase Price paid by Member for such Member Store(s) or (ii) the then fair market value of such Member Store(s) as reasonably determined by Member and Key Food, provided that, if Member and Key Food are unable to make such determination within thirty (30) days of Key Food's election, the parties shall promptly engage an independent appraiser experienced in the valuation of supermarkets for purposes of conducting such valuation and the determination of such appraiser shall be final and binding on Member and Key Food. Key Food shall prepare all repurchase documentation and shall be entitled to receive customary representations and warranties as to ownership, title, authority to sell and other similar customary representations and warranties from Member regarding such sale and to receive such other evidence, including applicable inheritance and estate tax waivers, as may reasonably be necessary to effect the purchase of the Member Stores. The provisions of Section 7(e) of the Bylaws currently in effect pertaining to leasehold interests shall apply to any purchase of Member Stores pursuant to this Section 1.8.

ARTICLE II
Closing

Section 2.1 Closing. The closing of the transactions contemplated by this Agreement (the "Closing") shall take place at the offices of Ropes & Gray, LLP located at 1211 Avenue of the Americas, New York, NY or any other location designated by Key Food on the date (the "Closing Date") upon which the closing under the A&P Asset Purchase Agreement occurs. For purposes of this Agreement and the transactions contemplated hereby, the Closing will be deemed to occur and be effective at 12:01 am, New York City time, on the Closing Date.

Section 2.2 Closing Deliverables. At or prior to the Closing, Key Food and Member shall deliver the following documents:

(a) the Assignment and Assumption Agreement duly executed by Key Food and Member, to be delivered at any time after the entry of the Bankruptcy Court Sale Order and prior to the Closing;

(b) an assignment and assumption agreement substantially in the form as attached to the A&P Purchase Agreement duly executed by A&P and Member, effecting the assignment and assumption by Member of the Member Acquired Assets, including the Leases with respect to the Member Store, and the Member Assumed Liabilities;

(c) a bill of sale (the "Bill of Sale") substantially in the form as attached to the A&P Purchase Agreement duly executed by A&P and Member, transferring the Member Acquired Assets to Member;

(d) the Loan Documents with respect to the Member Loan; and

(e) such other assignments and other good and sufficient instruments or documents of assumption and transfer, in form reasonably satisfactory to the Parties, as either Party may reasonably request, to transfer and assign the Member Acquired Assets.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF KEY FOOD

Key Food hereby represents and warrants to Member that the statements contained in this Article III are true and correct as of the date hereof and as of the Closing Date.

Section 3.1 Organization of Key Food. Key Food is a corporation duly organized, validly existing, and in good standing under the laws of the State of New York and has all requisite corporate or other organizational power and authority to own, lease, and operate its assets and to carry on its business as now being conducted.

Section 3.2 Power and Authorization. Key Food has all requisite power and authority to execute and deliver this Agreement and the agreements referenced herein to which it is a party, and to perform its obligations under such agreements and to consummate the transactions contemplated thereby. The execution and delivery by Key Food of this Agreement and the agreements referenced herein to which it is a party have been duly and validly authorized by all necessary corporate action on Key Food's part.

Section 3.3 Disclaimer of Other Representations and Warranties. Except for the representations and warranties contained in this Article III or expressly contained in any of the agreements referenced herein, neither Key Food nor any other Person shall be deemed to have made any representation or warranty, express or implied, including as to the accuracy or completeness of any information regarding Key Food, any Member Acquired Assets, any Assumed Liabilities or any other matter. Notwithstanding anything herein to the contrary, but without limitation of any representation or warranty expressly contained in this Article III or any of the agreements referenced herein, KEY FOOD MAKES NO OTHER (AND HEREBY DISCLAIMS EACH OTHER) REPRESENTATION, WARRANTY, OR GUARANTY WITH RESPECT TO THE VALUE, CONDITION, OR USE OF THE MEMBER ACQUIRED ASSETS, WHETHER EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. MEMBER ACKNOWLEDGES THAT, SHOULD THE CLOSING OCCUR, MEMBER WILL ACQUIRE THE MEMBER ACQUIRED ASSETS AND ASSUME THE MEMBER ASSUMED LIABILITIES IN AN "AS IS" CONDITION AND ON A "WHERE IS" BASIS, WITHOUT ANY REPRESENTATION OR WARRANTY OF ANY KIND, EXPRESS OR IMPLIED (INCLUDING ANY WITH RESPECT TO ENVIRONMENTAL, HEALTH, OR SAFETY MATTERS). Key Food disclaims all liability and responsibility for any representation, warranty, projection, forecast, statement, or information made, communicated, or furnished (orally or in writing) to Member or its affiliates or representatives (including any opinion, information, projection, or advice that may have been or may be provided to Member by any director, officer, employee, agent, consultant, or representative of Key Food or any of their affiliates).

ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF MEMBER

Member hereby represents and warrants to Key Food that the statements contained in this Article IV are true and correct as of the date hereof and as of the Closing Date.

Section 4.1 Organization of Member. Member, if Member is not a natural person, is a corporate entity duly organized, validly existing, and in good standing under the laws of the state of its incorporation or formation as the case may be and has all requisite corporate or similar power and authority to own, lease, and operate its assets and to carry on its business as now being conducted.

Section 4.2 Power and Authorization. Member has all requisite power and authority to execute and deliver this Agreement and the agreements referenced herein to which it is a party, and to perform its obligations under such agreements and to consummate the transactions contemplated thereby. The execution and delivery by Member of this Agreement and the agreements referenced herein to which it is a party have been duly and validly authorized by all necessary corporate action on Member's part.

Section 4.3 Noncontravention. Neither the execution and delivery of this Agreement, nor the consummation of the transactions contemplated hereby (including the assignments and assumptions referred to in Article I) will (a) to the extent applicable, conflict with or result in a breach of the certificate of incorporation or bylaws, or other organizational documents, of Member, (b) violate any law or order to which Member is, or its assets or properties are, subject or (c) conflict with, result in a breach of, constitute a default under, result in the acceleration of, create in any party the right to accelerate, terminate, modify or cancel, or require any notice under any Contract to which Member is a party or by which it is bound, except, in the case of either clause (b) or (c), for such conflicts, breaches, defaults, accelerations, rights or failures to give notice as would not, individually or in the aggregate, have a material adverse effect on Member. Member is not required to give any notice to, make any filing with, or obtain any authorization, consent or approval of any Governmental Authority in order for the Parties to consummate the transactions contemplated by this Agreement or agreement referenced herein, except where the failure to give notice, file or obtain such authorization, consent or approval would not, individually or in the aggregate, prevent or materially impair or delay Member's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis.

Section 4.4 Litigation; Decrees. Neither Member nor any affiliates is subject to any pending litigation or outstanding order or judgment that would prevent or materially impair or delay Member's ability to consummate the transactions contemplated hereby or perform its obligations hereunder on a timely basis.

Section 4.5 Sufficient Funds; Adequate Assurances. Assuming funding in full of the Member Loan pursuant to Section 1.3, at the Closing, Member will have immediately available funds sufficient for the satisfaction of all of Member's obligations under this Agreement and to the extent applicable, the A&P Asset Purchase Agreement, including the payment of the Member Store Purchase Price and all fees, expenses of, and other amounts required to be paid by Member in connection with the transactions contemplated hereby and the future performance of obligations under the applicable Leases being acquired by the Member.

Section 4.6 Member's Investigation. Member has conducted its own independent investigation, review and analysis of the business, operations, assets, liabilities, financial condition and prospects of the Member Stores, which investigation, review and analysis

was done by Member and, to the extent Member deemed appropriate, by Member's representatives. In entering into this Agreement, Member acknowledges that it has relied solely upon the aforementioned investigation, review and analysis and not on any factual representations of Key Food or their respective representatives except the specific representations and warranties of Key Food set forth in this Agreement, as qualified and limited by the schedules hereto. Member represents and warrants that Member has carefully read this Agreement, the A&P Asset Purchase Agreement and other documents related thereto, and executes this Agreement with full knowledge of the contents of this agreement, the legal consequences thereof, and any and all rights which the parties may have with respect to one another. Member has been advised to, and has had the opportunity to, consult with independent counsel prior to entering this Agreement. For the avoidance of doubt, Member agrees and acknowledges that it is not a third party beneficiary of the A&P Asset Purchase Agreement and nothing in this agreement, whether express or implied, is intended to or shall create any third party beneficiary rights in favor of Member.

ARTICLE V
COVENANTS

Section 5.1 Regulatory Approvals. Each of the Parties will give any notices to, make any filings with and use its commercially reasonable efforts to obtain any authorizations, licenses, consents and approvals of Governmental Authorities as necessary and appropriate to consummate the transactions contemplated hereby, including but not limited to, any licenses or permit required to transfer any alcohol or Pharmaceutical Inventory; provided, that, Member shall bear any reasonable costs necessary to obtain such authorizations, licenses, consents and approvals.

Section 5.2 Transfer Taxes. All transfer, documentary, sales, use, stamp, registration, value added and other such taxes and fees (including any penalties and interest) incurred in connection with the transactions contemplated by this Agreement and the documents to be delivered hereunder, if any, shall be borne and paid by Member when due. Member shall, at its own expense, timely file any tax return or other document with respect to such taxes or fees (and Key Food shall cooperate with respect thereto as necessary).

Section 5.3 Guarantees; Commitments. Member agrees to use its reasonable best efforts to cause, to the extent permissible under applicable Law and the A&P Asset Purchase Agreement and the Sale Order and subject to all requisite third party consents, itself or one of its affiliates to be substituted for Key Food and any of its Affiliates, and for Key Food and its Affiliates to be released, in respect of all obligations of Key Food and any of its Affiliates under any guarantees, indemnities, letters of credit, letters of comfort, commitments, understanding, agreements and other obligations (and all subsequent renewals, extensions, modifications and amendments with respect to, or substitutions for) in respect of the Member Stores and/or the A&P Purchase Agreement (collectively, the "Substituted Guarantees"). If, as of the Closing, Member or one of its affiliates shall not have substituted itself for Key Food or its affiliates under, and caused Key Food and its Affiliates to be released from any Substituted Guarantee, Member shall indemnify and hold harmless Key Food and its Affiliates against any Damages that Key Food or its Affiliates suffer, incur or are liable for by reason of or arising out of or in consequence of such Substituted Guarantee.

Section 5.4 Modified Labor Agreements. Member acknowledges that pursuant to Section 6.3 of the A&P Asset Purchase Agreement, Key Food is obligated to engage in good faith negotiations, in coordination with A&P, toward reaching mutually satisfactory modifications to the relevant Affected Labor Agreement with each of the Affected Unions and to enter into a Modified Labor Agreement with each of the Affected Unions. Member hereby agrees to be bound by any such Modified Labor Agreement that is negotiated by Key Food or make any offers of employment as required by the A&P Asset Purchase Agreement.

Section 5.5 Further Assurances. From and after the Closing, upon the request of either Key Food or Member, each of the Parties hereto will do, execute, acknowledge and deliver all such further acts, assurances, deeds, assignments, transfers, conveyances and other instruments and papers as may be reasonably required or appropriate to carry out the transactions contemplated by this Agreement. Key Food shall, and shall cause its Affiliates to, assist Member with an orderly transfer of the Member Acquired Assets to Member.

ARTICLE VI
INDEMNIFICATION

Section 6.1 Survival. All representations, warranties, covenants and agreements contained herein and all related rights to indemnification shall survive the Closing.

Section 6.2 Indemnification by Member. Member shall defend, indemnify and hold harmless Key Food, its affiliates and their respective stockholders, directors, officers and employees from and against all claims, judgments, damages, liabilities, settlements, losses, costs and expenses, including attorneys' fees and disbursements ("Damages"), arising from or relating to:

(a) any inaccuracy in or breach of any of the representations or warranties of Member contained in this Agreement or any document to be delivered hereunder;

(b) any breach or non-fulfillment of any covenant, Agreement or obligation to be performed by Member pursuant to this Agreement or any document to be delivered hereunder; or

(c) any Member Assumed Liabilities.

Section 6.3 Cumulative Remedies. The rights and remedies provided in this Article VI are cumulative and are in addition to and not in substitution for any other rights and remedies available at law or in equity or otherwise.

ARTICLE VII
MISCELLANEOUS

Section 7.1 Expenses. All costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

Section 7.2 Specific Performance. Each of the Parties acknowledges and agrees that the other parties would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached or violated. Accordingly, each of the parties agrees that, without posting bond or other undertaking, the other parties will be entitled to an injunction or injunctions to prevent breaches or violations of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in any Action instituted in any court of the United States or any state thereof having jurisdiction over the parties and the matter in addition to any other remedy to which it may be entitled, at law or in equity.

Section 7.3 Termination. The Parties may terminate this Agreement at any time prior to the Closing (a) by the mutual written consent of the Parties or (b) by any Party upon the termination of the A&P Asset Purchase Agreement.

Section 7.4 Notices. All notices, requests, consents, claims, demands, waivers and other communications hereunder shall be in writing and shall be deemed to have been given (a) when received by the addressee if sent by a nationally recognized overnight courier (receipt requested); (b) on the date sent by e-mail of a PDF document (with confirmation of transmission) if sent during normal business hours of the recipient, and on the next business day if sent after normal business hours of the recipient; or (c) on the third day after the date mailed, by certified or registered mail, return receipt requested, postage prepaid and addressed to the intended recipient as set forth below:

If to Key Food: Key Food Stores Co-Operative, Inc.
1200 South Avenue
Staten Island, NY 10314
Attention: Dean Janeway / Sharon Konzelman
E-mail: DeanJ@keyfoods.com; skonzelman@keyfoods.com

With a copy, which shall not constitute notice: Ropes & Gray LLP
1211 Avenue of the Americas
Attention: Robert S. Fischler
Email: robert.fischler@ropesgray.com

If to Member: As set forth on Schedule A

Section 7.5 Entire Agreement. This Agreement and the documents to be delivered hereunder constitute the sole and entire agreement of the parties to this Agreement with respect to the subject matter contained herein, and supersede all prior and contemporaneous understandings and agreements, both written and oral, with respect to such subject matter. In the event of any inconsistency between the statements in the body of this Agreement and the documents to be delivered hereunder, the Exhibits and Disclosure Schedule (other than an

exception expressly set forth as such in the Disclosure Schedule), the statements in the body of this Agreement will control.

Section 7.6 Successors and Assigns. This Agreement shall be binding upon and shall inure to the benefit of the Parties hereto and their respective successors and permitted assigns. Neither Party may assign its rights or obligations hereunder without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed. No assignment shall relieve the assigning party of any of its obligations hereunder.

Section 7.7 No Third Party Beneficiaries. Except as expressly provided herein, this Agreement is for the sole benefit of the Parties hereto and their respective successors and permitted assigns and nothing herein, express or implied, is intended to or shall confer upon any other person or entity any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

Section 7.8 Amendment; Waiver. This Agreement may only be amended, modified or supplemented by an agreement in writing signed by each Party hereto. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving.

Section 7.9 Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to its conflict of law rules.

Section 7.10 Member's Representative. Member hereby irrevocably constitutes and appoints Key Food as its true, exclusive and lawful agent and attorney-in-fact to act in the name, place and stead of Member in connection with the transactions contemplated by the A&P Asset Purchase Agreement, in accordance with the terms and provisions of the A&P Asset Purchase Agreement, and to act on behalf of Member in any action, suit or proceeding involving the A&P Asset Purchase Agreement, to do or refrain from doing all such further acts and things, and to execute all such documents as Key Food shall deem necessary or appropriate in connection with the transactions contemplated by the A&P Asset Purchase Agreement. Key Food will incur no liability to Member with respect to any action taken or suffered by any party in reliance upon any notice, direction, instruction, consent, statement or other document believed by Key Food to be genuine and to have been signed by the proper person (and Key Food shall have no responsibility to determine the authenticity thereof), nor for any other action or inaction, except its own gross negligence, bad faith or willful misconduct.

Section 7.11 Jurisdiction; Waiver of Jury Trial. Any legal suit, action or proceeding arising out of or based upon this Agreement or the transactions contemplated hereby may be instituted in the federal courts of the United States of America or the courts of the State of New York in each case located in the city of New York City, borough of Manhattan, and each party irrevocably submits to the exclusive jurisdiction of such courts in any such suit, action or proceeding. Each Party irrevocably and unconditionally waives any right it may have to a trial by jury in respect of any legal action arising out of or relating to this Agreement or the transactions contemplated hereby.

Section 7.12 Severability. If any term or provision of this Agreement is invalid, illegal or unenforceable in any jurisdiction, such invalidity, illegality or unenforceability shall not affect any other term or provision of this Agreement or invalidate or render unenforceable such term or provision in any other jurisdiction.

Section 7.13 Release. Effective as of the Closing, Member hereby releases, remises and forever discharges any and all rights and claims that it has had, now has or might now have against Key Food or its Affiliates with respect to the Member Stores other than any rights or claims under this Agreement, the agreements referenced herein or any agreement entered into after the date hereof.

Section 7.14 Counterparts; Facsimile and Electronic Signatures. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. This Agreement or any counterpart may be executed and delivered by facsimile copies or delivered by electronic communications by portable document format (.pdf), each of which shall be deemed an original.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

KEY FOOD:

KEY FOOD STORES CO-OPERATIVE, INC.

By _____
Name: Sharon Korczlman
Title: VP Finance

MEMBER:

By_____
Name:
Title:

Schedule A

Store Number	City	State	Address	Member Cash Purchase Price	Cash Inst.[1]	Member A&P Escrow Deposit
1964	Staten Island	NY	100 Greaves Lane	$3.5M	$1,301,647	$175,000

Member Notice Address and Contact Information

100 Greaves Lane Meat LLC
[Name of Member]

100 Greaves Lane
Staten Island, NY 10308

[Address]

Attn: Sam Abed

[Email Address] supermanhere4u@aol.om

[1] "Cash Installment" means the amount of the aggregate cash paid for such Store, calculated as aggregate Member Store Purchase Price minus the amount of any Member Loans. Note Members loans shall not exceed 70% of the total Member Store Purchase Price.

Schedule B

Member Store Purchase Price

The Member Store Purchase Price shall be equal to the sum of:

(i) the amount set forth on Schedule A under the heading "Member Cash Purchase Price" *plus*

(ii) the amount of the Inventory Purchase Price with respect to the Inventory of the Member Stores as determined under Section 2.6 of the A&P Asset Purchase Agreement (the "Member Inventory Purchase Price"), *plus*

(iii) the amount of the Prepaid Expenses with respect to the Member Stores (the "Member Prepaid Expenses"), *plus*

(iv) the Seller Proration Amount with respect to the Member Stores, as determined under Section 2.8 of the A&P Asset Purchase Agreement, if any, *minus*

(v) the Buyer Proration Amount with respect to the Member Stores, as determined under Section 2.8 of the A&P Asset Purchase Agreement (the "Member Proration Amount"), if any, *plus*

(vi) the amount that Sellers are required to pay as Cure Costs with respect to the Member Stores (the "Member Cure Costs"), *plus*

(vii) the Register Cash held in the Member Stores (the "Member Register Cash").

EXHIBIT A

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (the "Agreement") is made as of [•], 2015 by and between Key Food Stores Co-Operative, Inc., a New York corporation ("Key Food") and the undersigned ("Member"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Member Asset Purchase Agreement (defined below).

RECITALS

WHEREAS, Key Food and Member have entered into that certain Asset Purchase Agreement dated as of [•], 2015 by and between Key Food and Member (the "Member Asset Purchase Agreement"), pursuant to which, among other things, Key Food has agreed to assign all of its rights, title and interests in, and Member has agreed to assume and become responsible for all of Key Food's obligations under the A&P Asset Purchase Agreement (as such term is defined in the Member Asset Purchase Agreement) with respect to the Member Stores (as such term is defined in the Member Asset Purchase Agreement).

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Assignment and Assumption. Subject to the terms and conditions set forth in the Member Asset Purchase Agreement, effective as of the Closing, Key Food hereby assigns, grants, conveys and transfers to Member all of Key Food's right, title and interest in and to the A&P Asset Purchase Agreement with respect to the Member Stores and Member hereby accepts such assignment and assumes all of Key Food's duties and obligations and agrees to pay, perform and discharge, as and when due, all of the obligations of Key Food under A&P Asset Purchase Agreement related to the Member Stores accruing on and after the Effective Date and Member agrees to pay, perform, honor, and discharge, or cause to be paid, performed, honored and discharged, all such obligations, including those in connection with the, Member Assumed Liabilities (as such term is defined in the A&P Asset Purchase Agreement) in a timely manner in accordance with the terms thereof.

2. Terms of the Member Asset Purchase Agreement. The terms of the Member Asset Purchase Agreement, including, but not limited to, the representations, warranties, covenants, agreements and indemnities relating to the Member Acquired Contracts are incorporated herein by this reference. The parties hereto acknowledge and agree that the representations, warranties, covenants, agreements and indemnities contained in the Member Asset Purchase Agreement shall not be superseded hereby but shall remain in full force and effect to the full extent provided therein. In the event of any conflict or inconsistency between

the terms of the Purchase Agreement and the terms hereof, the terms of the Member Asset Purchase Agreement shall govern.

3. Further Assurances. Each of the parties hereto shall execute and deliver, at the reasonable request of the other party hereto, such additional documents, instruments, conveyances and assurances and take such further actions as such other party may reasonably request to carry out the provisions hereof and give effect to the transactions contemplated by this Agreement.

4. Effective Date. This Agreement is effective as of the Closing, and shall be binding upon, and inure to the benefit of, the parties hereto and their respective successors and assigns.

5. Amendment. This Agreement may be amended or modified, but only by an instrument in writing executed by each of Key Food and Member.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York without giving effect to any choice or conflict of law provision or rule.

7. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first written above by their respective officers thereunto duly authorized.

KEY FOOD STORES CO-OPERATIVE, INC.

By_____
Name:
Title:

[MEMBER]
By_____
Name:
Title:

G.C. 33

A MESSAGE TO THE BROOKLYN COMMUNITY

We believe that this Key Food OWNER has violated many of our rights under the Law

PLEASE HELP US STOP the DISCRIMINATION AND UNFAIR TREATMENT by this KEY FOOD COMPANY!

Please take your hard earned dollars somewhere else!

Unfortunately, our gift from this KEY FOOD OWNER for the Holiday is the unemployment line.

DO NOT SHOP AT THIS KEY FOOD

UFCW Local 342

166 E Jericho Turnpike, Mineola NY 11501

516-747-5980

LOCAL 342

Learn More: @UFCW342

G.C. 34

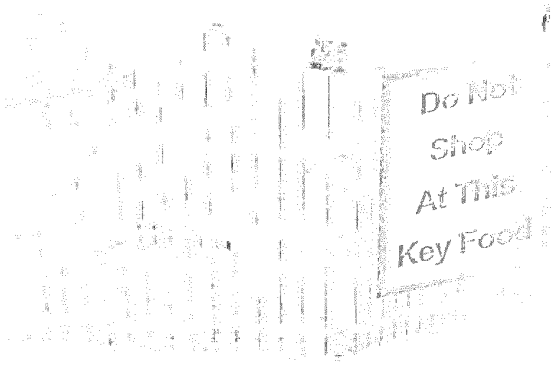
PLEASE DO NOT SHOP AT THIS KEY FOOD

The National Labor Relations Board (NLRB) has investigated unfair labor practice charges made by employees, former employees, and UFCW Local 342 against this Key Food employer. The Labor Board has found that the charges filed by Local 342 have merit!

A trial is scheduled so a judge can hear this case, and UFCW Local 342 will ask the judge to order the owners of this Key Food to stop committing violations of federal labor laws.

THIS EMPLOYER IS UNFAIR!

PLEASE SUPPORT THE
KEY FOOD WORKERS.
CONSIDER SHOPPING AT:



UFCW
LOCAL 342
2571 Arthur Kill Road
Staten Island
(800) 529-1814

G.C. 60

Key Food Cooperative, Inc
Case 29-CA-164058

Confidential Witness Affidavit

I, Nelson D. Quiles, being first duly sworn upon my oath, state as follows:

I have been given assurances by an agent of the National Labor Relations Board (NLRB) that this Confidential Witness Affidavit will be considered a confidential law enforcement record by the NLRB and will not be disclosed unless it becomes necessary to produce this Confidential Witness Affidavit in connection with a formal proceeding.

I reside at 694A 6th Ave, Brooklyn, NY 11215

My home telephone number (including area code) is 718-832-3526

My cell phone number (including area code) is 917-346-8876

My e-mail address is nellyd1923@live.com

I was employed by Waldbaums Supermarket

located at 82-35 153rd Ave, Howard Beach, NY 11414

I started working at Waldbaums in September 2006. I started as a meat cutter then eventually I was pushed to be a meat manager. As meat manager, I had no authority to hire or fire, to reward or discipline. I directed daily, routine tasks, such as cutting of meats, packing out of chicken, rotation, freezer case, what needed to be filled, the cold-cuts. My duties were also to make the schedule. Employees generally have regularly scheduled days, but when things came up, like someone was going for a three day holiday and they needed to switch their days, I could do that. Employees would let me know in advance if they were taking a holiday off, and I would put it up on the board to remind me so that I could put it in when I make the schedule the week of. For normal days, I would run it by the store manager, Davis Britt, who is at the store on a

Privacy Act Statement
The NLRB is asking you for the information on this form on the authority of the National Labor Relations Act (NLRA), 29 U.S.C. § 151 et seq. The principal use of the information is to assist the NLRB in processing representation and/or unfair labor practice cases and related proceedings or litigation. The routine uses for the information are fully set forth in the Federal Register, 71 Fed. Reg. 74942-43 (Dec. 13, 2006). Additional information about these uses is available at the NLRB website, www.nlrb.gov. Providing this information to the NLRB is voluntary. However, if you do not provide the information, the NLRB may refuse to continue processing an unfair labor practice or representation case, or may issue you a subpoena and seek enforcement of the subpoena in federal court.

Initials NQ

1 daily basis, except on Wednesday. Waldbaum's had a computer system that would keep track of
2 how much vacation and sick time each employee had in the "bank." When I had to determine
3 whether or not to approve someone's time off, I would consult this to make sure that they had
4 enough time available to them. I had authority to give other employees the day off if they called
5 in sick. I would make meat orders and the supply orders. I would also bring in the deliveries
6 from the back of the truck, and rotate stock.

7 Tom Falacaro was the meat supervisor for Walbaum's. He oversees a number of stores in
8 a district. He is was at the store occasionally when he was making his rounds. When I let the
9 store manager know about people's requested days off, he would email the supervisor and then
10 come back and let me. There are some days that are very popular vacation days, like July 4,
11 Labor Day, Thanksgiving, and Christmas. We call them "black out weeks." For those days
12 employees have to go directly to the store manager. There have also been a couple times in the
13 past where I approved someone's vacation and it was overridden by the store manager, in 2012
14 and/or 2013. It was close to the holidays. The supervisor has the final say as to people's days off.

15 My hours were Monday, Tuesday, Wednesday, Friday and Saturday, from about 7am-
16 3:30pm. On Sundays I worked half a day from 7am-11am. My day off was Thursday. I was also
17 working for the Department of Education during the night since April 2004. In the time before I
18 was terminated, I was paid $31.63 an hour. I was paid time and a half on Sundays. I had health
19 benefits, and a pension. I also had a 401K that the Employer made contributions to.

20 I became a member Local 342, UFCW around 1992, or 1993. I became a shop steward in
21 1995 while I worked for Pathmark, and served as a shop steward there for about five years. In
22 2014, I became the shop steward at Waldbaums.

Initials: NQ

1 There were about five employees, including myself, in the meat department. They
2 included Richard Maffia, Venus Nepay, Khadisha Diaz, and Benito Gambino. There were other
3 Unions representing different Units in the store, including Local 338, which represented
4 employees in the deli, the grocery, the cashiers, and the receiver in the back. We did not have a
5 bakery in the Waldbaums store, or a pharmacy.
6 On September 4, 2015, I got a phone call from a Union rep from Local 342, asking if I or
7 anyone at my store would be willing to volunteer to hand out leaflets at the Cross Bay Boulevard
8 Key Foods owned by Almonte to assist another Union organizing campaign led by Local 338.
9 The leaflets said that Local 338 was trying to organize some employees in the store and that the
10 Employer was unfair. The leafleting was to take place the next day on September 5, 2015.
11 I joined the leafletters after my shift, around 12:30pm or 1pm. There were about 10-12
12 people doing the leafleting. Aside from me, there were no other employees from my store. The
13 Cross Bay Key Foods store had banners on the outside with little flag things, music playing
14 outside from guy with a radio, and a man on stilts, walking around. I don't know if there were
15 marking some sort of anniversary or what. The store had been open for about a year so it
16 couldn't have been a grand opening. We did our leafleting off to the side of the store, about 50-
17 75 feet away from the front entrance. All the music and everything was near the front entrance,
18 where the parking lot is. I was participating in the leafleting for about an hour or an hour and a
19 half. I think 338 had the rat there. I wasn't wearing any Union insignia. Local 1500 was also out
20 there assisting the leafleting, and they were wearing their jackets. Some local 338 people were
21 also wearing their jackets. We were handing out leaflets to people as they walked by on the
22 sidewalk.

 Initials: NQ

1 During the leafleting, there was man named John, who worked for PepsiCola as a
2 packout (take the deliveries from the truck and bring it out to the aisle). I know this because he
3 used to deliver Pepsi to Waldbaums. He was going around taking a video of everyone on his
4 phone. He was taking a video of me while I was leafleting and I asked him what he was doing
5 and he said that he was taking video and he wanted to take it on his phone.
6 The following morning, the owner of the Cross Bay Key Foods, Frank Almonte, and his
7 cousin, (whose name I don't recall, but it may have been Armando). They came at around
8 7:50am to Waldbaums. I got a call from the girl in the deli saying that someone was here to see
9 me. I said "for me?." She said, "yeah, they are asking for Nelson." I came out from the meat
10 department to see who it was. Frank and his cousin came to the back and we were talking in the
11 back part of the store, right between the deli and the meat department. (There is a double
12 swinging door leading to the processing room which is visible through some glass windows
13 between the deli and the showcase area).
14 When I came out, I asked, "who are you?" He said, "I am Frank Almonte, the owner of
15 Key Foods." I replied, "I am Nelson." And we shook hands. Frank Almonte asked me, "do you
16 think that was a nice thing that you did?" I assumed he was talking about the leafleting the day
17 before. I said to him, "business is business." He repeated three or four times, loudly and
18 boisterously, "do you think that was a nice thing to do?" I felt slightly threatened. I didn't know
19 if they were going to come at me front ways or sideways. I just repeated "business is business."
20 He said who sent you. I said, "the Union" I said "Local 342" He and his cousin kept saying,
21 "who in the Union"? I said, "the Union, Local 342" Finally I said, "I have meat to cut, have a
22 nice day." And I walked away from him, politely, and went back to the meat department. I don't
23 know how long they stayed there after.

Initials: NQ

1 I proceeded to work through September and October 2015. All over the news and the
2 radio and through people at the store we were hearing that Waldbaums was being purchased by
3 Key Foods. On about Friday, October 24, 2015, Gilberto Almonte, Franky Almonte, and another
4 person who I didn't know went downstairs with the store manager Davis Britt. They were there
5 for several hours and everyone was told to stay out. Around 2:30pm or 2:45pm that day, I saw
6 Britt mulling around in the back of the store, near the entrance of the meat department. I asked
7 him if everything was ok, because he had a long face. He said everything was fine.
8 After about 10-15 minutes, while I was talking to my fellow coworker, Robert Haegland,
9 a temporary butcher working in the meat department, Davis Britt came up to us and told
10 Haegland that he needed to speak to me privately. Britt says to me, "your position with the
11 company is no longer available." I said, "meat manager?" He said, yeah. I said, "what about
12 meat cutter?" He said, "no, you are done." I shook hands with him and said ok. As he was
13 walking away, I said, "can I empty my locker out?" He said, do as you have to. On my way out I
14 showed him what I had taken of my personal belongings in a small box.
15 About a week later, I got a call from Venus Nepay from the meat department. She was
16 crying. She said that Gilbert, the new owner, had pulled her aside and told her, "you are fired,
17 empty out your locker." Venus was a member of the Union, but not active. A few days after that,
18 the other part-time meat wrapper, Khadija, was also terminated. She called me and told me. She
19 was also told that she was no longer wanted there.
20 Richie Maffia was working at another store in Utrecth Avenue as an acting Manager in
21 the meat department. He was called back to the store by the new owners and he worked one day
22 before they fired him.

 Initials: NQ

1 Since I have been terminated from Waldbaums, I have not gotten another job during the
2 day. My main profession is meat cutter.
3

I am being provided a copy of this Confidential Witness Affidavit for my review. I understand that this affidavit is a confidential law enforcement record and should not be shown to any person other than my attorney or other person representing me in this proceeding.

I have read this Confidential Witness Affidavit consisting of 5 pages, including this page, I fully understand it, and I state under penalty of perjury that it is true and correct. However, if after reviewing this affidavit again, I remember anything else that is important or I wish to make any changes, I will immediately notify the Board agent.

Date: December 1, 2015 **Signature:**
Nelson D. Quiles

Signed and sworn to before me on December 1, 2015 **at**

Brooklyn, NY

NOOR I. ALAM
Board Agent
National Labor Relations Board

 Initials: _____

G.C. 62

Liz Fontanez

From: Liz Fontanez
Sent: Sunday, September 06, 2015 9:06 AM
To: Stephen Booras; Margaret Monier
Cc: Lisa Petosa; Denise Corona
Subject: Visit from Keyfood owner

Nelson Quiles from Walbums Howard beach called me that the store got a visit from the owner of Keyfood on Crossbay. He told him that it wasn't right what was done yesterday Nelson told well business is business and you need to do the right thing. He walked away and started talking to the other departments.

Liz Fontanez
(UFCW Local 342)

GC 81

Alam, Noor I.

From: Lisa O'Leary <Loleary@UFCW342.ORG>
Sent: Tuesday, April 18, 2017 8:07 PM
To: Alam, Noor I.; Tooker, Lynda
Cc: Martin Milner; Eric Milner
Subject: FW: your client: Key Food Co-Op

Importance: High

From: Lisa O'Leary
Sent: Thursday, October 15, 2015 6:12 PM
To: 'Sharon Konzelman'
Cc: Catalano, Douglas; Jhana Branker
Subject: RE: your client: Key Food Co-Op
Importance: High

Thank you for your response. However, as Local 342 and other UFCW Local Unions with A&P employees currently working in these two stores have not concluded agreements with the Key Food employers, Local 342 need to know immediately what the employer plans to do at these two stores on 10/21. We expect the current employees to be working on the 21st, and we need to know exactly what the employer's plan is as it affects the workers. As Key Food's next bargaining appointment is not until 10/21, that will be too late to speak on this. The workers will need to be told in advance of the 21st their status. UFCW Local 342 is requesting that Key Food make itself available for bargaining tomorrow, throughout the weekend, Monday and Tuesday. If we can conclude an agreement with the employer in advance of the change in employer, then the transition can go smoothly. If not, and Local 342 has no information to give the workers as to their status, Local 342 will have to make an alternate plan. If the employees in those two stores are unemployed as of 10/21, then Local 342 and Local 338 need Key Food to tell us that now. In addition to the UFCW Locals' business with Key Food, there are rights to A&P severance and other matters that hinge on the employer's actions on 10/21. Please advise this evening when Key Food will be available for bargaining in advance of 10/21, and what the employer's intention is as to the workers and their work schedule on 10/21. Thank you Lisa O.

From: Sharon Konzelman [mailto:skonzelman@keyfoods.com]
Sent: Thursday, October 15, 2015 1:22 PM
To: Lisa O'Leary; Jhana Branker
Cc: Catalano, Douglas
Subject: RE: your client: Key Food Co-Op

Lisa,
I am being advised not to publish the information requested until after the hearing scheduled for tomorrow, where we expect to be formally approved as purchaser for the 24 locations.
As for the closing schedule, nothing is confirmed yet with A & P but at this time inventories(and closings) are preliminarily scheduled for the following 2 locations next week- Wednesday October 21st.
70-295 WB Horace Harding Blvd, Flushing
70-442 WB 83-25 153rd Ave, Howard Beach

Hopefully you find this information helpful, and I can provide additional information shortly.

Begin forwarded message:

From: Lisa O'Leary <Loleary@UFCW342.ORG<mailto:Loleary@UFCW342.ORG>>
Date: October 15, 2015 at 12:33:45 PM EDT
To: "douglas.catalano@nortonrosefulbright.com<mailto:douglas.catalano@nortonrosefulbright.com>"
<douglas.catalano@nortonrosefulbright.com<mailto:douglas.catalano@nortonrosefulbright.com>>
Cc: Jhana Branker <JBranker@UFCW342.ORG<mailto:JBranker@UFCW342.ORG>>
Subject: your client: Key Food Co-Op

Good afternoon. UFCW Local 342 requests the following information which the Union is entitled to have to fairly represent its members in bargaining:

1. A true and complete list of each store purchased from A&P

2. A true and complete list of who is the employer for each A&P store purchased from A&P, with contact information for each: email, phone, address,etc

3. A list of the closing dates scheduled for each store, and the exact date the various employers will take possession of the operation of each supermarket.

4. A complete copy of each and every advertisement, whether by paper, signs, or on the Internet, placed by the Co-Op or any individual Key Food employer for the purchased A&P stores, soliciting job applications for positions in the purchased stores, including, but not limited to, the amounts advertised for hourly pay rates, whether FT or PT or both, and the positions available

5. A true and complete listing of the positions, full time and part time, the Key Food employers intend to fill with the current A&P employees. Please provide that information for all 24 stores purchased, by store, for Meat, Seafood, and Deli in the back wall stores, and for all positions in the four "wall to wall" stores

UFCW Local 342 has requested this information previously, and/or requests the information with this communication. Please advise when we can expect to receive it. Please note that the individual employers have been in various of the twenty four A&P stores speaking to members, preparing signage changes, changing computer systems, and doing other work in preparation for opening stores as early as next week. Indeed we received information this morning that the Waldbaum's in Lindenwood and another store that the Amonte employer has been in, have notified the folks in these stores that the stores will close Wednesday October 21st, and reopen the following day as a Key Food. I request here that you respond today as to whether the/a Key Food employer will in fact take possession of properties within the next week, the dates, and confirm who the employer is, including the Waldbaum's in Lindenwood. I note that we have Key Food bargaining to appointments for 10/21 and 10/22. It is imperative to get the information Local 342 requests above, so that Local 342 can bargain effectively and respond to our members questions about their status. Thank you for your attention to this matter. Lisa Oleary

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R.1

MEMORANDUM OF AGREEMENT

Agreement effective October 22, 2015, by and between Key Food Co-Op and assigns (the "Employer") and UFCW Local 342, 166 East Jericho Turnpike, Mineola, New York 11501 (the "Union"):

WITNESSETH

WHEREAS, The Great Atlantic & Pacific Tea Company, Inc., and its subsidiaries, affiliates, banners and other related entities ("A&P"), have filed for Chapter 11 bankruptcy relief in the United States Bankruptcy Court of the Southern District of New York in Case No. 15-23007;

WHEREAS, the Union represents the employees at various A&P stores, and the Union and A&P are parties to a collective bargaining agreement;

WHEREAS, the Employer has purchased, or is in the process of purchasing, various stores from A&P;

WHEREAS, it is recognized that the efficient and orderly method of establishing and maintaining peaceful and harmonious labor relations and of dealing with problems and controversies arising out of employment is through negotiations and agreement, rather than through strikes and lockouts;

NOW, THEREFORE, in consideration of the mutual promises contained in this Agreement the parties agree as follows:

1. APPLICABILITY

a. The Employer represents itself and various Key Food Co-op members relating to the purchase of A&P stores. This Agreement shall apply to all A&P stores acquired by the Employer and/or its Key Food Co-op members directly from A&P.

b. If a Key Food member wishes to sell an A&P banner store within the shorter of (i) 42 months from the date of purchase and (ii) the term of the lease on that store, it will sell the store to (i) a purchaser other than the Co-op willing to recognize the unions representing the employees in that store and to proceed on the terms and conditions of employment under those collective bargaining agreements then in effect; or (ii) the Co-op. If the Co-op is the buyer, it will recognize the unions representing the employees in that store and proceed upon the terms and conditions of employment set forth in the collective bargaining agreements then in effect.

2. OFFER OF EMPLOYMENT

a. Upon the opening of its store, or stores, the Employer shall offer employment to current A&P employees before hiring anyone else subject to the terms of this agreement. A minimum of 50% plus 1 employees will be hired by the Employer from A&P employees.

b. The offer shall be made unconditionally without any review or interview.

c. Notwithstanding the above, the Employer may offer a buy-out to any full-time employee currently employed by A&P, before the opening of its store, or stores, or after the probationary period. In such instance, the Employer shall pay to the employee $400 per each year of service with A&P. Payment shall be made of the aggregate amount in four (4) monthly installments. This buy-out may be voluntary, if offered by the Employer, or in lieu of a layoff. (no payment of entitlements). Buyout in lieu of layoff for one year from date of hire.

d. Future layoffs of employees not subject to the buy-out in 2(c) shall be by seniority (the last employee hired shall be the first employee laid off) within a classification. In case a buy-out results from a layoff or pursuant to 2(c) above, the affected employee shall have the right of recall based on seniority (the employee with the most seniority shall have the first right of recall) for a period of one year, and shall be entitled to receive the highest rate of pay he or she received prior to the layoff regardless of any payments received from a buy-out.

3. PROBATIONARY PERIOD

a. All full-time and part-time employees shall be on probation for the first thirty (30) days of his or her employment. This probationary period may be extended for an additional thirty (30) day period, but only upon mutual agreement.

b. During the probationary period, the Employer may terminate a full-time or part-time employee with or without cause. However, a full-time employee formerly employed by A&P who is terminated without cause shall be paid $8,000.00 in severance pay, and the Employer shall make sufficient contributions in order to provide the employee with three (3) months of continued medical coverage after the termination. (no payment of entitlements) A part-time employee formerly employed by A&P who is terminated without cause shall be paid in accordance with the following schedule:

Employment with A&P		Weeks of Buy-Out (based on Avg. Hours of Work in Prior Year
1-7 years		1 week
8-11 years		2 weeks
12-15 years		3 weeks
16 years		4 weeks

c. No person who passes probation shall be disciplined or discharged except for just cause.

4. HOURS

a. A full-time employee shall be guaranteed an offer of a minimum of 40 hours in the basic regular work week (Monday to Saturday). A full-time employee may work a 10 hour/day, 4 days per week schedule.

b. A part-time employee shall be guaranteed an offer of a minimum of twenty (20) hours of work each week, subject to the employee's availability.

5. WAGES

a. All employees hired directly after being employed at A&P shall be hired at the same rate of pay as he or she received at A&P.

Full-time employees

b. Full-time employees hired from A&P shall receive the following pay increases:

First Increase: $35.00 per week six (6) months from the date of this Agreement;

Second Increase: $35.00 per week twelve (12) months after the First Increase;

Third Increase: $35.00 per week twelve (12) months after the Second Increase;

Fourth Increase: $2,000 lump sum payment (subject only to FICA withholding) six (6) months after the Third Increase.

c. The minimum hourly rate for a newly-hired full-time employee not hired directly from A&P shall be $12.00 per hour. Post-probation, the full-time employee shall receive an increase of $.50 per hour. Thereafter, the full-time employee shall receive an increase of $35.00 per week on each of his or her anniversary date, i.e., the date of hire.

Part-time employees

d. Part-time employees hired from A&P shall receive the following pay increases:

First Increase: $.40 per hour six (6) months from the date of this Agreement;

Second Increase: $.40 per hour twelve (12) months after the First Increase;

Third Increase: $.40 per hour twelve (12) months after the Second Increase;
Fourth Increase: $.40 per hour twelve (12) months, plus a $1,000 lump sum payment (subject only to FICA withholding), after the Third Increase.

e. The minimum hourly rate of a newly-hired part-time employee shall be the statutory minimum wage. This rate shall be increased by $.50 per hour after thirty (30) days. Thereafter, the part-time employee shall receive an increase of $.40 per hour on each of his or her anniversary date.

f. The Employer may reclassify a full-time employee to part-time status within a twelve (12) month period following the expiration of the probationary period but only for objective business or economic reasons, and not for any other reason including discipline, retaliation, or reasons deemed capricious or arbitrary. Upon reclassification, the employee shall retain his or her wage rate and all previously-allowed paid time off.

g. Sunday premium. After thirty (30) days of employment, new full-time employees shall be paid time and a half for each hour worked on a Sunday. After one (1) year of employment, part-time employees shall be paid an additional $2.00 per hour for each hour worked on a Sunday. After two (2) years of employment, part-time employees shall be paid time and a half of each hour worked on a Sunday. Former A&P employees hired directly from A&P shall be given their Sunday rate of pay for work on Sunday.

6. BENEFITS AND PAID TIME OFF

a. All former A&P employees shall be provided their benefits as received from A&P upon termination from A&P.

Holidays

b. All new full-time employees not hired directly from A&P who have worked 90 or more days and all part-time employees who have worked 120 or more days shall be paid on the following holidays:

New Year's Day	Thanksgiving Day	Memorial Day
Christmas Day	Independence Day	Labor Day
Presidential Election Day		

Vacation Days

c. All new full-time employees not hired directly from A&P shall receive the following paid vacation days each year:

One week	One year of service
Two weeks	Two years of service
Three weeks	Seven years of service
Four weeks	Ten years of service

d. All new part-time employees not hired directly from A&P shall receive the following paid vacation days each year:

One week	One year of service
Two weeks	Two years of service
Three weeks	Three years of service
Four weeks	Ten years of service

New part-time employees with less than three years of service shall receive the equivalent of 20 hours for each week of vacation pay. New part-time employees

with three years or more of service shall receive the equivalent of 25 hours for each week of vacation pay.

Personal Days

e. All new full-time employees not hired directly from A&P shall receive the following paid personal days each year:

Two days	One year of service
Four days	Two years of service

f. All new part-time employees not hired directly from A&P shall receive the following paid personal days each year:

One day	One year of service
Two days	Two years of service
Three days	Three years of service

All new part-time employees shall receive the equivalent of four hours pay for each personal day.

Sick Days

g. All new full-time employees not hired directly from A&P shall receive the following paid sick days each year:

One day	Four months of service
Two days	Five months of service
Three days	Six months of service
Four days	Seven months of service
Five days	Eight months of service
Seven days	Two years of service
Eight days	Three years of service

h. All new part-time employees not hired directly from A&P shall receive the following paid sick days each year:

Three days	One year of service
Four days	Two years of service
Five days	Three years of service

Part-time employees shall receive the equivalent of four hours pay for each sick day.

7. HEALTH AND WELFARE FUND AND BENEFITS FUND

a. Full-time employees. The Employer shall pay into a health and welfare fund for each of its full-time employees covered by this Agreement the maximum sum of $1,000.00 per month. Max of 5% increase each year thereafter.

b. Part-time employees. Part-time employees who average a minimum of thirty (30) hours over a six week period shall be offered ACA-compliant health insurance coverage, with the Employer contributing a maximum of $400.00 per month and the employee contributing a maximum of $20.00 per week (or 9.5% of income, whichever is lower). In addition the Employer shall pay for part-time employees who work under 30 hours per week the sum of $70.00 each month. Maximum of 5% increase each year thereafter.

c. If a qualified employee formerly employed by A&P declines the Employer's offer of healthcare coverage, then the Employer shall pay to the employee a one-time, opt-out payment of $3,000.00 upon proof that he or she is covered by an ACA-compliant health insurance carrier.

d. All employees formerly employed by A&P shall receive health insurance coverage on the date of hire. All new hires not previously employed by A&P shall receive health care coverage on the 90th day of his or her employment with the Employer.

8. RETIREMENT

a. The Employer shall contribute $200 per month for each full-time employee and $75 per month for each part-time employee to an Annuity Fund.

b. Employees formerly employed by A&P shall receive contributions to the Annuity Fund immediately. However, new hires not formerly employed by A&P shall begin receiving contributions to the Annuity Fund until his or her first anniversary date.

9. GRIEVANCE AND ARBITRATION PROCEDURE

a. Any complaint, dispute, or grievance arising between the parties concerning the interpretation or application of this Agreement shall be adjusted in the following manner:

b. A representative of the Union shall meet with the Employer or its designee to discuss the grievance. If after such discussion the grievance is not settled, either party may submit the grievance to a mutually agreed upon arbitrator or if no agreement, the parties will utilize the American Arbitration Association. The decision of the arbitrator shall be final and binding upon the parties and the employees and shall conclusively determine the matter submitted to the arbitrator. The cost of arbitration shall be borne equally by the parties. The grievance and arbitration procedure specified in this Agreement is the sole and exclusive remedy of the parties, and such procedure shall be in lieu of any and all other remedies at law, in equity or otherwise. No individual employee may initiate any arbitration proceeding.

10. DEPARTMENT HEADS

a. All back wall Key Food stores shall have a minimum of one (1) full-time department head, unless it is a wall-to-wall store, wherein it must have three (3) department heads.

b. All Key Food stores which are wall-to-wall stores with over $325,000.00 in sales per week during a two month period shall have a minimum of four (4) full-time department heads.

11. ADDITIONAL TERMS

a. The parties may negotiate other terms and conditions of employment on or before Key Food begins operation of its business at the former A&P locations. Other than the terms herein, the terms and conditions of employment between the Union and A&P shall not be applied to the Employer unless and until they are negotiated by the parties.

12. FINALITY OF AGREEMENT

a. The parties understand that the Employer is currently negotiating similar agreements with other UFCW locals, and agree that the successful negotiation of such agreements is essential before the agreements herein take effect.

13. DURATION

a. The duration of this agreement shall vary depending on when a particular Key Food store commences operation. For each Key Food store, this agreement shall be in effect for 42 months starting on the day that the store commences operations.

14. Additional Terms

The parties agree that there will be a union security clause, recognition clause, no lie detector clause, management rights clause, no discrimination clause, bulletin board clause, and no employment of minors clause.

During the term of this Agreement, there shall be no lockout by Employer, and no-strike, picketing or hand billing by the Union. Employees shall not be required to cross a picket line in the event of safety issues, and a clause will be agreed upon that permits the waiver of the no-strike clause in the event of a failure by the Employer to make contributions, with all language in these clauses to be agreed upon.

Minimum of four (4) hours if called into work.

Breaks – For FT - 2 15 minute breaks, 1 hour unpaid lunch. PT – 1 15 minute break for each 4 hours worked. 1 hour unpaid lunch (for 8 hours), ½ hour unpaid lunch (for at least 5 ½ up less than 8 hours).

Overtime – overtime over 8 hours in a day (OT over 10 hours for an employee working a 10 hour/day, 4 day per week schedule).

Union Visitation – the union representative will advise the employer of his presence upon arriving at the workplace.

Funds – Employer will continue payment to funds for 13 weeks for illness or disability. The Union and Funds have the right to review the Employer's records.

Funeral Leave – FT – 3 working days. PT – same as FT (pro-rated) Immediate Family.

Jury Duty – Involuntary Jury duty will be two weeks/year (Grand Jury 30 working days over the term of the agreement).

Uniforms – the Employer will furnish/launder uniforms if required to be worn.
Transfers – ok for employers w/ multiple stores covered by this Agreement. Subject to reasonable radius of home or last store location, reimbursement for additional fares/tolls/gas.

Shop Stewards – the Union may have one shop steward per store. 1 day off w/ pay per year for training.

Dated this _____ day of October, 2015

KEY FOOD STORES CO-OPERATIVE, INC.

By: _____

UFCW LOCAL 342

By: _____

R.2

Scott Wich

Subject: FW: Union Square Employees Not Retained

----- Forwarded Message -----
From: Lou Loiacono <Lloiacono@UFCW342.ORG>
To: tappsmain <tappsmain@yahoo.com>
Sent: Monday, November 9, 2015 8:25 AM
Subject: Re: Union Square Employees Not Retained

Exh. No. 2 Received ✓ Rejected ____
Case No.: ____
Case Name: ____
No. Pgs: 2 Date: ____ Rep.: ____

Got it, Thanks

Lou Lolacono
UFCW Local 342
lloiacono@ufcw342.org

On Nov 9, 2015, at 1:08 AM, tappsmain <[illegible]> wrote:

Sent via the Samsung Galaxy Note® 4, an AT&T 4G LTE smartphone

-------- Original message --------
From: tappsmain <[illegible]>
Date: 11/8/2015 19:02 (GMT-05:00)
To: [illegible]
Cc: PAUL CONTE <[illegible]@aol.com>, PAT CONTE <[illegible]>
Subject: Union Square Employees Not Retained

Good Day,
I am sending you this email on behalf of Pat Conte. Please find attached a worksheet showing, on sheet 2, the employees from the Union Square A &P which we will not be employing. There are 2 sheets however the sheet #2 with 20 employees is the sheet of interest. Please confirm receipt of this email and attachment.

Best Regards

Pat Conte

Sent via the Samsung Galaxy Note® 4, an AT&T 4G LTE smartphone
<Union Square W NAMES Employee Roster1.xlsx>

A-538

OracleID	LastName	FirstName	Location_Address	Oracle_Lo	Dept_Nam	Job_Name	EDP_N	HireDate	FTPTS	EmpStatus	UnionL	HourlyPay	Shift	SeniorityDat	FTSeniorityDa	PTSeniorityD	EmpStatus
502794	CALLENDER	CESAR	10 Union Square New York, NY 10003	9001	Store Deli	Deli Clerk	3201	5/15/2000	P	ACTIVE EM	0174	14.25	E	5/15/2000		5/15/2000	A
658799	COLON	JOSE	10 Union Square New York, NY 10003	9001	Store Mea	Journeyman B	3201	10/13/1997	F	ACTIVE EM	0174	26.135	D	10/13/1997	10/13/1997	4/29/1996	A
658862	DELOSSANTOS	FRANCISCO	10 Union Square New York, NY 10003	9001	Store Prod	Produce Clerk	3201	8/6/1983	F	ACTIVE EM	0174	24.85	D	4/16/1988	4/16/1988		A
611388	DIAZ	JUANA	10 Union Square New York, NY 10003	9001	Store Grod	Scanning Admin/Coordinator	3201	7/27/1987	F	ACTIVE EM	0174	26.885	D	5/1/1989	5/1/1989	7/27/1987	A
598306	FIELDS	KEESHA	10 Union Square New York, NY 10003	9001	Store Bake	Bakery Manager/Dir/Dept Head	3201	6/6/2001	F	ACTIVE EM	0174	22.875	D	6/6/2001	6/6/2001		A
621206	GOMEZ	MADELINE	10 Union Square New York, NY 10003	9001	Store Deli	Deli Clerk	3201	9/1/1996	F	ACTIVE EM	0174	26.825	D	9/1/1996	9/1/1996		A
616407	HENDERSON	SOPHIE	10 Union Square New York, NY 10003	9001	Store Fron	Front-End/Customer Service Clerk	3201	4/10/1998	P	ACTIVE EM	0174	15.31	E	4/10/1998		4/10/1998	A
614280	ITURRALDE	DENA	10 Union Square New York, NY 10003	9001	Store Fron	Cashier/Checker	3201	1/10/1992	F	ACTIVE EM	0174	22.225	D	8/1/2000	8/1/2000		A
614366	JONES	TAMIKA	10 Union Square New York, NY 10003	9001	Store Flora	Floral Manager/Dept Head	3201	9/6/1990	F	ACTIVE EM	0174	23.1	D	6/30/2000	6/19/1995		A
614096	MALDONADO	LUCY	10 Union Square New York, NY 10003	9001	Store Seaf	Seafood Manager/Dept Head	3201	12/18/1988	F	Leave with	0174	27.135	D	3/1/1989	3/1/1989		L
611387	NUNEZ	RICARDO	10 Union Square New York, NY 10003	9001	Store Grod	Dairy Manager	3201	1/17/1990	F	ACTIVE EM	0174	25.1	E	7/15/1996	7/15/1996		A
613346	ONEAL	TROY	10 Union Square New York, NY 10003	9001	Store Grod	Night Stock/Packout Clerk	3201	7/26/1989	P	ACTIVE EM	0174	16.2	D	6/5/1990		6/5/1990	A
596682	ORTEGA	MARIA	10 Union Square New York, NY 10003	9001	Store Deli	Deli Clerk	3201	7/11/1994	F	ACTIVE EM	0174	23.8	E	4/17/2000	4/17/2000		A
705933	PAGAN	ELENA	10 Union Square New York, NY 10003	9001	Store Fron	Cashier/Checker	3201	9/13/2004	P	ACTIVE EM	0174	24.5	E	8/20/2012	8/20/2012		A
685013	SILVERIO	ROSA	10 Union Square New York, NY 10003	9001	Store Bake	Bakery Clerk	3201	11/16/2003	P	ACTIVE EM	0174	14.15	E	11/16/2003		11/16/2003	A
614841	SIMPSON	JERRY	10 Union Square New York, NY 10003	9001	Store Prod	Produce Clerk	3201	3/31/1986	F	ACTIVE EM	0174	24.475	D	2/22/1988	2/22/1988		A
620487	TIRADO	NATALIE	10 Union Square New York, NY 10003	9001	Store Bake	Bakery Clerk	3201	9/5/1978	F	ACTIVE EM	0174	24.475	D	8/15/1988	8/15/1988		A

R. 10

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re	:	**Chapter 11**
THE GREAT ATLANTIC & PACIFIC TEA COMPANY, INC., *et al.*,	:	**Case No. 15-23007 (RDD)**
Debtors.	:	**(Jointly Administered)**

ORDER (I) APPROVING THE PURCHASE AGREEMENT AMONG SELLERS AND BUYER (II) AUTHORIZING THE SALE OF CERTAIN OF THE DEBTORS' ASSETS FREE AND CLEAR OF LIENS, CLAIMS, INTERESTS AND ENCUMBRANCES, (III) AUTHORIZING THE ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS AND LEASES IN CONNECTION THEREWITH AND (IV) GRANTING RELATED RELIEF

(Key Food Global Auction Sale Order)

Upon the motion, dated July 19, 2015 (Docket No. 26) (the "Sale Motion")[1], filed by the above-captioned debtors and debtors in possession (the "Debtors") seeking, among other things, entry of an order, pursuant to sections 105, 363 and 365 of the United States Bankruptcy Code, 11 U.S.C. §§ 101, *et seq.* (the "Bankruptcy Code"), Rules 2002, 6004, and 6006 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules") and Rules 6004-1 and 6006-1 of the Local Bankruptcy Rules for the United States Bankruptcy Court for the Southern District of New York (the "Local Bankruptcy Rules"), authorizing and approving the sale of the Acquired Assets and the assumption and assignment of certain executory contracts and unexpired leases of the Debtors in connection therewith; and the Court having taken into consideration this Court's prior order, dated August 11, 2015 (Docket No. 495) (the "Bidding Procedures Order"), approving competitive bidding procedures for the Acquired Assets (the "Bidding Procedures"); and Key Food Stores Co-Operative, Inc. (the "Buyer") having submitted a bid for the Acquired Assets,

[1] Capitalized terms used herein but not otherwise defined have the meanings given to them in the Purchase Agreement (as defined below) or, if not defined in the Purchase Agreement, the meanings given to them in the Sale Motion.

which was the successful bid for the Acquired Assets at the contemplated Auction; and the Court having conducted a hearing on the Sale Motion on October 16, 2015 (the "Sale Hearing"), at which time all interested parties were offered an opportunity to be heard with respect to the Sale Motion; and the Court having reviewed and considered (i) the Sale Motion and the exhibits thereto, (ii) the Asset Purchase Agreement, dated as of October 14, 2015 (as amended by that certain amendment, dated October 20, 2015 to reflect, among other things, staggering of the closings of the Acquired Assets (the "Purchase Agreement")), a copy of which is attached hereto as Exhibit A, by and between Sellers and Buyer, whereby the Debtors have agreed, among other things, to sell the Acquired Assets to Buyer, including certain executory contracts and unexpired leases of the Debtors that will be assumed and assigned to Buyer, on the terms and conditions set forth in the Purchase Agreement (the "Sale Transaction"), (iii) the Declaration of Stephen Goldstein in Support of the Sale Motion (Docket No. 251) and the supplements thereto, (iv) and objections to the Sale Transaction, and (v) the arguments of counsel made, and the evidence proffered and adduced, at the Sale Hearing; and it appearing that due notice of the Sale Motion and the form of this order (the "Proposed Sale Order") have been provided in accordance with the Bidding Procedures Order; and for the reasons stated at the Sale Hearing all objections to the Sale Motion having been withdrawn, resolved or overruled as provided in this Order; and it appearing that the relief requested in the Sale Motion and granted herein is in the best interests of the Debtors, their estates and creditors and all parties in interest in these chapter 11 cases; and upon the record of the Sale Hearing and these chapter 11 cases; and after due deliberation thereon; and good cause appearing therefor, it is hereby

FOUND AND DETERMINED THAT:

A. **Fed. R. Bankr. P. 7052**. The findings and conclusions set forth herein constitute the Court's findings of fact and conclusions of law pursuant to Bankruptcy Rule 7052 made applicable to this proceeding pursuant to Bankruptcy Rule 9014. To the extent any of the following findings of fact constitute conclusions of law, they are adopted as such. To the extent any of the following conclusions of law constitute findings of fact, they are adopted as such.

B. **Jurisdiction and Venue**. This Court has jurisdiction to decide the Sale Motion and over the Sale Transaction pursuant to 28 U.S.C. §§ 157(a)-(b) and 1334(b). This matter is a core proceeding pursuant to 28 U. S.C. § 157(b)(2). Venue of these chapter 11 cases and the Sale Motion in this District is proper under 28 U.S.C. §§ 1408 and 1409.

C. **Statutory and Rule Predicates**. The statutory and other legal predicates for the relief sought in the Sale Motion are sections 105(a), 363 and 365 of the Bankruptcy Code, Bankruptcy Rules 2002, 6004, and 6006, Local Bankruptcy Rules 6004-1 and 6006-1, and the Amended Guidelines for the Conduct of Asset Sales, Approved by Administrative Order Number 383 in the United States Bankruptcy Court for the Southern District of New York.

D. **Opportunity to Object**. A fair and reasonable opportunity to object to and to be heard with respect to the Sale Motion, the Sale Transaction and the relief requested in the Sale Motion has been given, as required by the Bankruptcy Code and the Bankruptcy Rules, to all Persons entitled to notice, including, but not limited to, the following: (i) all counterparties to the Transferred Contracts, (ii) all other known creditors of the Debtors, (iii) all parties who have requested notice in these chapter 11 cases pursuant to Bankruptcy Rule 2002, and (iv) all applicable federal, state and local taxing and regulatory authorities.

E. **Final Order**. This Order constitutes a final order within the meaning of 28 U.S.C. § 158(a).

F. **Sound Business Purpose**. The Debtors have demonstrated good, sufficient, and sound business purposes and justifications for approval of the Sale Motion, the Purchase Agreement, and the Sale Transaction and in entering into the Purchase Agreement and related Bill of Sale and Assignment and Assumption Agreement (the "Related Agreements"). The Debtors' entry into and performance under the Purchase Agreement and Related Agreements (i) constitute a sound and reasonable exercise of the Debtors' business judgment, (ii) provide value to and are beneficial to the Debtors' estates, and are in the best interests of the Debtors and their stakeholders, and (iii) are reasonable and appropriate under the circumstances. Business justifications for the Sale Transaction include, but are not limited to, the following: (i) the Purchase Agreement constitutes the highest and best offer received for the Acquired Assets; (ii) the Purchase Agreement presents the best opportunity to maximize the value of the Acquired Assets on a going concern basis and avoid decline and devaluation of the Acquired Assets; (iii) unless the Sale Transaction and all of the other transactions contemplated by the Purchase Agreement are concluded expeditiously, as provided for pursuant to the Purchase Agreement, recoveries to creditors may be materially diminished; and (iv) the value of the Debtors' estates will be maximized through the sale of the Acquired Assets pursuant to the Purchase Agreement.

G. **Compliance with Bidding Procedures**. The Debtors and Buyer complied with the Bidding Procedures and Bidding Procedures Order in all respects. Buyer was the Successful Bidder for the Acquired Assets in accordance with the Bidding Procedures and Bidding Procedures Order.

H. **Highest and Best Value**. (i) The Debtors and their advisors, including Evercore Group LLC and Hilco Real Estate LLC, engaged in a robust and extensive marketing and sale process over a period of over six months, both prior to the Petition Date and through the

postpetition sale process pursuant to the Bidding Procedures Order and the Bidding Procedures, (ii) the Debtors conducted a fair and open sale process, (iii) the sale process, the Bidding Procedures and the Auction were non-collusive, duly noticed and provided a full, fair and reasonable opportunity for any entity to make an offer to purchase the Acquired Assets, and (iv) the process conducted by the Debtors pursuant to the Bidding Procedures obtained the highest and best value for the Acquired Assets for the Debtors and their estates, and any other transaction would not have yielded as favorable an economic result.

I. **Fair Consideration**. The consideration to be paid by Buyer under the Purchase Agreement constitutes fair and reasonable consideration for the Acquired Assets.

J. **No Successor or Other Derivative Liability**. Buyer is not, and will not be, a mere continuation, and is not holding itself out as a mere continuation, of any of the Debtors or their respective estates and there is no continuity between Buyer and the Debtors. The Sale Transaction does not amount to a consolidation, merger or *de facto* merger of Buyer and any of the Debtors.

K. **Good Faith**. The Purchase Agreement and each of the transactions contemplated therein were negotiated, proposed and entered into by the Debtors and Buyer in good faith, without collusion and from arm's-length bargaining positions. Buyer is a "good faith purchaser" within the meaning of section 363(m) of the Bankruptcy Code and, as such, is entitled to all the protections afforded thereby. Neither the Debtors nor Buyer have engaged in any conduct that would cause or permit the Purchase Agreement to be avoided or costs and damages to be imposed under section 363(n) of the Bankruptcy Code. Buyer is not an "insider" of any of the Debtors, as that term is defined in section 101 of the Bankruptcy Code, and no common identity of incorporators, directors, or controlling stockholders existed between Buyer and the Debtors.

The Purchase Agreement was not entered into for the purpose of hindering, delaying, or defrauding present or future creditors of the Debtors. Neither the Debtors nor Buyer is entering into the Purchase Agreement, or proposing to consummate the Sale Transaction, fraudulently, for the purpose of statutory and common law fraudulent conveyance and fraudulent transfer claims whether under the Bankruptcy Code or under the laws of the United States, any state, territory, possession thereof, or the District of Columbia.

L. **Notice**. As evidenced by the certificates of service filed with the Court: (i) proper, timely, adequate and sufficient notice of the Sale Motion, the bidding process (including the deadline for submitting bids and the Auction), the Sale Hearing, the Sale Transaction and the Proposed Sale Order was provided by the Debtors; (ii) such notice was good, sufficient and appropriate under the particular circumstances and complied with the Bidding Procedures Order; and (iii) no other or further notice of the Sale Motion, the Sale Transaction, the Bidding Procedures, the Sale Hearing or the Proposed Sale Order is required. With respect to Persons whose identities are not reasonably ascertained by the Debtors, publication of the Sale Notice in *The New York Times*, national edition, on August 14, 2015 was sufficient and reasonably calculated under the circumstances to reach such Persons.

M. **Cure Notice**. As evidenced by the certificates of service filed with the Court, and in accordance with the provisions of the Bidding Procedures Order, the Debtors have served prior to the Sale Hearing the Cure Notice, which provided notice of the Debtors' intent to assume and assign the Transferred Contracts and of the related proposed Cure Costs upon each non-debtor counterparty to the Transferred Contracts. The service of the Cure Notice was good, sufficient and appropriate under the circumstances and no further notice need be given with respect to the Cure Costs for the assumption and assignment of the Transferred Contracts. All

non-debtor parties to the Transferred Contracts have had a reasonable opportunity to object both to the Cure Costs listed on the applicable Cure Notice and to the assumption and assignment of the Transferred Contracts to Buyer.

N. **Satisfaction of Section 363(f) Standards**. The Debtors may sell the Acquired Assets free and clear of all liens, claims (including those that constitute a "claim" as defined in section 101(5) of the Bankruptcy Code), rights, liabilities, encumbrances and other interests of any kind or nature whatsoever against the Debtors or the Acquired Assets, including, without limitation, any debts arising under or out of, in connection with, or in any way relating to, any acts or omissions, obligations, demands, guaranties, rights, contractual commitments, restrictions, product liability claims, environmental liabilities, property litigation claims, employee pension or benefit plan claims, multiemployer benefit plan claims, retiree healthcare or life insurance claims or claims for taxes of or against the Debtors, and any derivative, vicarious, transferee or successor liability claims, rights or causes of action (whether in law or in equity, under any law, statute, rule or regulation of the United States, any state, territory, or possession thereof or the District of Columbia), whether arising prior to or subsequent to the commencement of these chapter 11 cases, whether known or unknown, and whether imposed by agreement, understanding, law, equity or otherwise arising under or out of, in connection with, or in any way related to the Debtors, the Debtors' interests in the Acquired Assets, the operation of the Debtors' businesses before the Closing, or the transfer of the Debtors' interests in the Acquired Assets to Buyer, and all Excluded Liabilities (collectively, excluding any Assumed Liabilities, the "Claims"), because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code have been satisfied. Without limiting the generality of the foregoing, "Claims" shall include any and all liabilities or obligations whatsoever arising under

or out of, in connection with, or in any way relating to: (1) any of the employee benefit plans, including any Claims related to unpaid contributions or current or potential withdrawal or termination liability; (2) any of the Debtors' collective bargaining agreements; (3) the Worker Adjustment and Retraining Notification Act of 1988; or (4) any of the Debtors' current and former employees. Those holders of Claims who did not object (or who ultimately withdrew their objections, if any) to the Sale Transaction or the Sale Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of Claims who did object that have an interest in the Acquired Assets fall within one or more of the other subsections of section 363(f) of the Bankruptcy Code and are therefore adequately protected by having their Claims that constitute interests in the Acquired Assets, if any, attach solely to the proceeds of the Sale Transaction ultimately attributable to the property in which they have an interest, in the same order of priority and with the same validity, force and effect that such holders had prior to the Sale Transaction, subject to any defenses of the Debtors. All Persons having Claims of any kind or nature whatsoever against or in respect of the Debtors or the Acquired Assets shall be forever barred, estopped and permanently enjoined from pursuing or asserting such Claims against Buyer or any of its assets, property, Affiliates, Members, successors, assigns, or the Acquired Assets.

O. Buyer would not have entered into the Purchase Agreement and would not consummate the transactions contemplated thereby, thus adversely affecting the Debtors and their estates and their creditors, if the sale of the Acquired Assets was not free and clear of all Claims, or if Buyer would, or in the future could, be liable for any such Claims, including, as applicable, certain liabilities related to the Business that will not be assumed by Buyer, as described in the Purchase Agreement.

P. The total consideration to be provided under the Purchase Agreement reflects Buyer's reliance on this Order to provide it, pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, with title to and possession of the Acquired Assets free and clear of all Claims (including, without limitation, any potential derivative, vicarious, transferee or successor liability claims).

Q. **Assumption and Assignment of Transferred Contracts**. The assumption and assignment of the Transferred Contracts are integral to the Purchase Agreement, are in the best interests of the Debtors and their estates, and represent the reasonable exercise of the Debtors' sound business judgment. Specifically, the assumption and assignment of the Transferred Contracts (i) is necessary to sell the Acquired Assets to Buyer, (ii) allow the Debtors to sell their business to Buyer as a going concern, (iii) limit the losses suffered by counterparties to the Transferred Contracts, and (iv) maximize the recoveries to other creditors of the Debtors by limiting the amount of claims against the Debtors' estates by avoiding the rejection of the Transferred Contracts.

R. With respect to each of the Transferred Contracts, the Debtors have met all requirements of section 365(b) of the Bankruptcy Code. Further, Buyer or its permitted assignees have provided adequate assurance of future performance under the Transferred Contracts in satisfaction of sections 365(b) and 365(f) of the Bankruptcy Code to the extent that any such assurance is required and not waived by the counterparties to such Transferred Contracts. Accordingly, the Transferred Contracts may be assumed by the Debtors and assigned to Buyer or its permitted assignees as provided for in the Purchase Agreement.

S. **Validity of the Transfer**. As of the Closing, the transfer of the Acquired Assets to Buyer will be a legal, valid and effective transfer of the Acquired Assets, and will vest Buyer

with all right, title and interest of the Debtors in and to the Acquired Assets, free and clear of all Claims.

T. The Debtors (i) have full corporate or limited liability company (as applicable) power and authority to execute the Purchase Agreement and all other documents contemplated thereby, and the Sale Transaction has been duly and validly authorized by all necessary corporate action of the Debtors, (ii) have all of the corporate or limited liability company (as applicable) power and authority necessary to consummate the transactions contemplated by the Purchase Agreement, and (iii) upon entry of this Order, other than any consents identified in the Purchase Agreement (including with respect to antitrust matters), need no consent or approval from any other Person to consummate the Sale Transaction.

U. The Acquired Assets constitute property of the Debtors' estates and good title is vested in the Debtors' estate within the meaning of section 541(a) of the Bankruptcy Code. The Debtors are the sole and rightful owners of the Acquired Assets, and no other Person has any ownership right, title, or interests therein.

V. The Purchase Agreement is a valid and binding contract between the Debtors and Buyer and shall be enforceable pursuant to its terms. The Purchase Agreement and the Sale Transaction itself, and the consummation thereof shall be specifically enforceable against and binding upon (without posting any bond) the Debtors, any chapter 7 or chapter 11 trustee appointed in these chapter 11 cases, and shall not be subject to rejection or avoidance by the foregoing parties or any other Person.

W. **Waiver of Bankruptcy Rules 6004(h) and 6006(d)**. The sale of the Acquired Assets must be approved and consummated promptly in order to preserve the value of the Acquired Assets. Therefore, time is of the essence in consummating the Sale Transaction, and

the Debtors and Buyer intend to close the Sale Transaction as soon as reasonably practicable. The Debtors have demonstrated compelling circumstances and a good, sufficient, and sound business purpose and justification for the immediate approval and consummation of the Sale Transaction as contemplated by the Purchase Agreement. Accordingly, there is sufficient cause to lift the stay contemplated by Bankruptcy Rules 6004(h) and 6006(d) with regards to the transactions contemplated by this Order.

X. **Personally Identifiable Information**. As contemplated in the Purchase Agreement, and subject to the terms of this Order, the sale to Buyer under the Purchase Agreement of personally identifiable information (as such term is defined in section 101(41A) of the Bankruptcy Code), if any, about individuals is either consistent with the privacy policy of the Debtors in effect on the date of commencement of these chapter 11 cases or consistent with the recommendations of the consumer privacy ombudsman appointed in these chapter 11 cases.

Y. **Legal and Factual Bases**. The legal and factual bases set forth in the Motion and at the Sale Hearing establish just cause for the relief granted herein.

Z. **No Breach of Union Obligations**. The unions affected by the sale of the Acquired Assets did not file an objection to such sale and have waived their rights to assert against any of Buyer, the Debtors, the Debtors' estates, or any other party any claims or other rights arising under the successorship provisions of any collective bargaining agreement or similar agreement in relation to such sale.

NOW THEREFORE, IT IS ORDERED THAT:

1. **Motion is Granted**. The Sale Motion and the relief requested therein is granted and approved to the extent set forth herein.

2. **Objections Overruled**. All objections (except for Cure Objections, if any, that have been adjourned as identified on Exhibit A attached to the Debtors' reply in support of the Sale Transaction, solely to the extent such objections relate to any asserted cure obligations pursuant to section 365(b)(1)(A) and (B) of the Bankruptcy Code), if any, to the Sale Motion or the relief requested therein that have not been withdrawn, waived or settled as announced to the Court at the Sale Hearing or by stipulation filed with the Court, and all reservations of rights included therein, are hereby overruled on the merits.

3. **Notice.** Notice of the Sale Hearing was fair and equitable under the circumstances and complied in all respects with section 102(1) of the Bankruptcy Code and Bankruptcy Rules 2002, 6004 and 6006.

4. **Fair Purchase Price**. The consideration provided by Buyer under the Purchase Agreement is fair and reasonable.

5. **Approval of the Purchase Agreement**. The Purchase Agreement, all transactions contemplated therein and all of the terms and conditions thereof are hereby approved. The failure specifically to include any particular provision of the Purchase Agreement in this Order shall not diminish or impair the effectiveness of such provision, it being the intent of the Court that the Purchase Agreement be authorized and approved in its entirety.

6. **Consummation of Sale Transaction**. Pursuant to sections 105, 363 and 365 of the Bankruptcy Code, the Debtors, as well as their officers, employees and agents, are authorized to execute, deliver and perform their obligations under and comply with the terms of the Purchase Agreement and to consummate the Sale Transaction, pursuant to and in accordance with the terms and conditions of the Purchase Agreement and this Order.

7. The Debtors, their Affiliates and their respective officers, employees and agents, are authorized to execute and deliver, and authorized to perform under, consummate and implement all additional instruments and documents that may be reasonably necessary or desirable to implement the Purchase Agreement and to take all further actions as may be (a) reasonably requested by Buyer for the purpose of assigning, transferring, granting, conveying and conferring to Buyer, or reducing to possession, the Acquired Assets or (b) necessary or appropriate to the performance of the obligations contemplated by the Purchase Agreement, all without further order of the Court.

8. All Persons that are currently in possession of some or all of the Acquired Assets are hereby directed to surrender possession of such Acquired Assets to Buyer as of the Closing.

9. Each and every any federal, state, local, or foreign government or governmental or regulatory authority, agency, board, bureau, commission, court, department, or other governmental entity is hereby directed to accept any and all documents and instruments necessary and appropriate to consummate the transactions contemplated by the Purchase Agreement.

10. **Transfer of Assets Free and Clear**. Pursuant to sections 105(a), 363(b), 363(f) and 365 of the Bankruptcy Code, the Debtors are authorized to transfer the Acquired Assets in accordance with the terms of the Purchase Agreement. The Acquired Assets shall be transferred to Buyer, and upon the Closing, such transfer shall: (a) be valid, legal, binding and effective; (b) vest Buyer with all right, title and interest of the Debtors in the Acquired Assets; and (c) be free and clear of all Claims in accordance with section 363(f) of the Bankruptcy Code, with all Claims that represent interests in property to attach to the net proceeds of the Sale Transaction, in the same amount and order of their priority, with the same validity, force and effect which they

have against the Acquired Assets, and subject to any claims and defenses the Debtors may possess with respect thereto in each case immediately before the Closing.

11. Except as otherwise provided in the Purchase Agreement, all Persons (and their respective successors and assigns) including, without limitation, all debt security holders, equity security holders, governmental, tax and regulatory authorities (including, without limitation, the Pension Benefit Guaranty Corporation), lenders, employees, former employees, pension plans (and their trustees and other fiduciaries), multiemployer pension plans (and their trustees and other fiduciaries), labor unions, trade creditors and any other creditors holding Claims against the Debtors or the Acquired Assets, are hereby forever barred, estopped and permanently enjoined from asserting or pursuing such Claims against Buyer, its Affiliates, Members, successors or assigns, its property or the Acquired Assets, including, without limitation, taking any of the following actions with respect to a Claim (other than an Assumed Liability): (a) commencing or continuing in any manner any action or other proceeding against Buyer, its Affiliates, Members, successors or assigns, assets or properties; (b) enforcing, attaching, collecting or recovering in any manner any judgment, award, decree, or order against Buyer, its Affiliates, Members, successors or assigns, assets, or properties; (c) creating, perfecting, or enforcing any Claims against Buyer, its Members, successors or assigns, assets or properties; (d) asserting a Claim as a setoff, right of subrogation or recoupment of any kind against any obligation due Buyer or its Affiliates, Members, successors or assigns; or (e) commencing or continuing any action in any manner or place that does not comply, or is inconsistent, with the provisions of this Order or the agreements or actions contemplated or taken in respect thereof. No such Persons shall assert or pursue against Buyer or its Affiliates, Members, successors or assigns any such Claim.