

EXHIBIT 1

~~{SRZ DRAFT 3/11/16}~~

ASSET PURCHASE AGREEMENT

BY AND AMONG

HAGGEN OPCO NORTH, LLC,

HAGGEN, INC.,

HAGGEN OPERATIONS HOLDINGS, LLC

AND

ALBERTSON'S LLC⁺

MARCH ____, 2016

⁺ ~~A separate purchase agreement will be entered into with Haggen Property North, LLC for the acquisition by Buyer of 2 ground leases (Store #2102 (Grants Pass) and Store #2075 (Tacoma) and a fee property Store #2089 (Snohomish). Closing of the purchase of the real property will be conditioned on the closing of this APA.~~

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ASSET PURCHASE AGREEMENT

THIS ASSET PURCHASE AGREEMENT (this “Agreement”), dated as of March ___, 2016, is made by and among Haggen Opco North, LLC, a Delaware limited liability company (“Opco North”), Haggen, Inc., a Washington corporation (“Haggen Inc.”) and Haggen Operations Holdings, LLC, a Delaware limited liability company (“HOH”, and together with Opco North, and Haggen Inc., each, a “Seller”, and together, “Sellers”), and Albertson’s LLC, a Delaware limited liability company (“Buyer”). Sellers and Buyer shall be referred to herein from time to time collectively as the “Parties” and each individually as a “Party.” Definitions of capitalized terms are set forth in Section 7.1.

WHEREAS, each Seller is a debtor and debtor in possession in those certain bankruptcy cases under chapter 11 of title 11 of the United States Code, 11 U.S.C. § 101 et seq. (the “Bankruptcy Code”) filed on September 8, 2015 in the United States Bankruptcy Court for the District of Delaware (the “Bankruptcy Court”), Case No. 15-11874 (as Jointly Administered, collectively, the “Chapter 11 Case”);

WHEREAS, in connection with the Chapter 11 Case and subject to the terms and conditions contained herein, following the entry of the Sale Order (as defined herein) determining Buyer to be the highest or best bidder with respect to the Store Properties and subject to the terms and conditions thereof, Sellers shall sell, transfer and assign to Buyer, and Buyer shall purchase, acquire and accept from Sellers, pursuant to Sections 105, 363 and 365 of the Bankruptcy Code, the Assets (as defined herein), and Buyer shall assume from Sellers the Assumed Liabilities (as defined herein), all as more specifically set forth herein and in the Sale Order; and

WHEREAS, the transactions contemplated by this Agreement and the other Transaction Documents are subject to the entry of the Sale Order by the Bankruptcy Court and will be consummated pursuant to the Bid Procedures Order (as defined herein) and the Sale Order.

NOW, THEREFORE, in consideration of the premises and the mutual promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

ARTICLE 1 ASSET PURCHASE; PURCHASE PRICE

Section 1.1 Purchase and Sale of Assets.

(a) Sale of Assets. Subject to the terms and conditions set forth herein and in the Bid Procedures Order and the Sale Order, at each Closing, each Seller shall sell, assign, assume and assign, transfer, convey and deliver to Buyer, and Buyer shall purchase, acquire and accept from each Seller, free and clear of any Liens other than Permitted Liens, all of such Seller’s right, title and interest in, to and under all of its assets, properties and rights of every kind and nature, whether real or personal, tangible or intangible, in each case, other than the Excluded Assets (collectively, the “Assets”), including the following:

(i) the Store Leases and the Corporate Headquarters Lease, together with (only to the extent of such Seller's interest therein) the Improvements located on or attached to the underlying real property, and all rights arising out of the ownership thereof including: all options and rights of first refusal, all Real Property Documents creating or modifying any such interest, and all of such Seller's rights, title and interest in and under such Real Property Documents related to such Store Property or Corporate Headquarters; all easements and rights-of-way; water rights; rights, title and interest in all strips and gores; all reciprocal easements; all alleys and the land laying in the bed of any street, road or right-of-way; all of such Seller's right, title and interest in and to any award made or to be made in lieu thereof, and in and to any unpaid award, for any taking by condemnation of, or any damages to, any Store Property or the Corporate Headquarters by reason of a change of grade of any street, road or avenue; and all tenements, hereditaments, appurtenances and other real property rights appertaining thereto, subject to the rights of the landlord (including rights to ownership or use of such property) under such Store Leases or the Corporate Headquarters Lease;

(ii) each lease, sublease, concessionaire agreement, license or other occupancy agreement listed in Section 1.1(a)(ii) of the Disclosure Schedule to the extent the same relates to the Store Properties or the Corporate Headquarters (each, an "Assigned License");

(iii) each contract set forth in Section 1.1(a)(iii) of the Disclosure Schedule (each, an "Assigned Contract");

(iv) if and to the extent assignable, all third party guarantees and warranties (collectively, the "Guarantees") to the extent they relate to the ownership or operation of the Store Properties, the Inventory or the Equipment;

(v) all union contracts, collective bargaining agreements and other labor agreements relating to persons employed at, or in connection with, the Store Properties, to the extent they relate to the Store Properties, or the operation of the Business at the Store Properties, including as listed on Section 1.1(a)(v) of the Disclosure Schedule (collectively, the "Labor Agreements"), including the requirement that Buyer offer to hire all existing bargaining unit employees at the Store Properties without change in salary, benefits or seniority, except as may be agreed between Buyer and the applicable unions (and communicated to Sellers) prior to the applicable Closing, as further provided herein;

(vi) all computer, networking, security and telephone hardware and software, furniture, furnishings, signage, forklifts and other vehicles, equipment, machinery, tooling, parts, racking, refrigerators, freezers, fixtures, trade fixtures, shopping carts, shelf tags, aisle markers, check stands, electronic surveillance equipment, store models, shelving and other tangible personal property located at the Store Properties and the Corporate Headquarters and wherever located in support of the Store Properties and the IT Systems as of the date hereof and owned by such Seller or any Affiliate thereof, including IT Systems and all Starbucks equipment ("Starbucks Equipment") (solely if and to the extent Starbucks has consented in writing to the transfer of such

Starbucks Equipment to Buyer) and point-of-sale and check cashing technologies and all other in-store information technology equipment and software (solely if and to the extent such software is freely transferable to Buyer or for which Sellers obtain consent to transfer to Buyer) and all devices and pinpads related thereto, together with all rights of such Seller or any Affiliate thereof against the manufacturers and/or suppliers of such equipment, and any and all rights to any software used in any computer equipment included in the Assets (solely if and to the extent such rights to any such software are freely transferable to Buyer or for which Sellers obtain consent to transfer to Buyer) (collectively, the “Equipment”);

(vii) any signs or personal property which contain the name (or trade name or derivative thereof) or logo of such Seller, including all uniforms supplied to such Seller’s employees;

(viii) to the extent (A) permitted under applicable Law and (B) related to the Store Properties or the Corporate Headquarters or their customers or employees, all files, documents, instruments, papers, computer files, data (including customer and employee data and including emails) and records and all other non-privileged books and records of such Seller or any Affiliate thereof in any form or media (collectively, the “Files and Records”), but (x) excluding any “Files and Records” related to Store Employees who are not Transferred Employees, except information required to be disclosed in Section 2.13(a) and (y) Sellers may retain copies any “Files and Records” related to Store Employees who are Transferred Employees;

(ix) all Intellectual Property of such Seller and its Affiliates, including trademarks, service marks, trade names, domain names, web sites and similar intangibles including any right to use, or interest in, any of the name of such Seller or any Affiliate thereof, or any similar name or intangible registered or licensed to any of the foregoing, or any trade names used by such Seller or any Affiliate thereof;

(x) all Inventory (including all private label, pharmacy inventory and all Inventory in transit as of immediately prior to the Effective Time) of such Seller, other than Excluded Inventory;

(xi) all security, vendor, utility and other deposits actually being held by a third party (the “Deposits”) related to the Store Properties or the Corporate Headquarters, and all prepaid rent and other prepaid expenses related to the Store Properties or the Corporate Headquarters (collectively, the “Prepaid Expenses”);

(xii) all Pharmacy Assets, including, subject to all applicable Laws including, without limitation, those governing the transfer of personal health information, all Pharmacy Records (which shall be provided to Buyer in an electronic format, reasonably agreeable to Buyer and Sellers, and in accordance with all applicable state board of pharmacy and Drug Enforcement Administration (“DEA”) regulations); provided, however, in the event Buyer requests conversion of such electronic format to another format for any reason whatsoever, the cost of such conversion shall be at Buyer’s sole cost and expense;

(xiii) to the extent transferable in accordance with applicable Law, all Permits, federal and state registrations and licenses and all pending applications therefor, in each case, primarily related to the other Assets, including all beer/wine and spirits liquor licenses (collectively, the “Liquor Licenses”) related to the Store Properties;

(xiv) Closing Cash;

(xv) all goodwill of such Seller and its Affiliates associated with any of the other Assets transferred at such Closing;

(xvi) all of such Seller’s rights, claims, causes of action and avoidance claims under Chapter 5 of the Bankruptcy Code (whether or not asserted as of the Effective Time) to the extent they relate to vendors, employees, landlords, suppliers, customers and other counterparties of Sellers that relate to any of the Assets, or the operation of the Business at the Store Properties, on or after the applicable Effective Time (but not any such claims described in the Stipulation and Order Granting Derivative Standing to the Official Committee of Unsecured Creditors [Docket No. 1235]) (the “Avoidance Actions”); and

(xvii) each parcel of land more particularly described on Exhibit 1.1(xvii) attached hereto (the “Land”), together with the Improvements located on or attached to the underlying real property, and all rights arising out of the ownership thereof, including: all of such Sellers’ rights, title and interest, if any, to: any transferrable oil, gas, and mineral rights related to the Owned Real Property, all options and rights of first refusal, all Real Property Documents creating or modifying any such interest, and all of such Seller’s rights, title and interest in and under such Real Property Documents related to such Owned Real Property; all easements and rights-of-way; water rights; rights, title and interest in all strips and gores; all reciprocal easements; all alleys and the land laying in the bed of any street, road or right-of-way, subject to Section 1.7 hereof; all of such Seller’s right, title and interest in and to any award made or to be made in lieu thereof, and in and to any unpaid award, for any taking by condemnation of, or any damages to, any Owned Real Property by reason of a change of grade of any street, road or avenue; and all tenements, hereditaments, appurtenances and other real property rights appertaining thereto (all rights and interests described in this Section 1.1(a)(~~xxii~~xvii) being referred to collectively as the “Real Property”), subject only to Permitted Exceptions and those liabilities, liens, obligations and encumbrances which are expressly assumed by Buyer pursuant to Section 1.1(c).

Notwithstanding anything to the contrary contained in this Agreement, all Assets which are (a) located at, or otherwise primarily related to, a Store Property (“Store Assets”) shall be transferred and assigned to Buyer hereunder at the Closing for such Store Property, and (b) not located at, or otherwise primarily related to, any Store Property, including the Corporate Headquarters Lease and any Assets located at, or otherwise primarily related to, the Corporate Headquarters (collectively, “Corporate Assets”) shall be transferred and assigned to Buyer hereunder at the Initial Closing.

(b) Excluded Assets. Notwithstanding the foregoing, Buyer expressly understands and agrees that it is not purchasing or acquiring, and each Seller is not selling, transferring or assigning, any of the following assets or properties of such Seller (the “Excluded Assets”):

- (i) all undeposited or uncollected checks and food stamps;
- (ii) all claims, counterclaims, rights, set-offs, demands, causes of action, rebates, refunds and other similar intangibles arising from the operation, acquisition or ownership of the Store Properties or the Corporate Headquarters prior to the applicable Effective Time, other than the Avoidance Actions;
- (iii) all of Sellers’ rights to refunds and credits of Taxes attributable to the Store Properties or the Assets for periods occurring prior to the applicable Effective Time;
- (iv) all accounts receivable owed to such Seller relating to the operation of the Business to the extent arising prior to the applicable Effective Time and all claims, remedies and other rights relating to such accounts receivable, including, but not limited to, claims for pharmacy goods and services, delinquent rent payments, tenant reimbursements, refunds of insurance premiums, credit and debit card receivables, WIC/SNAP and security deposits with utilities accruing to, or held for, the benefit of Sellers;
- (v) all casualty insurance, title insurance, liability insurance and other insurance policies of each Seller and its Affiliates and claims thereunder, including each Seller’s director and officer insurance policies, fiduciary policies or employment practices policies (in each case of the foregoing, including any tail policies or coverage thereon), and any of such Seller’s rights, claims, demands, proceedings, credits, causes of action or rights of set off thereunder;
- (vi) the following books and records of such Seller and its Affiliates:
 - (A) such books and records as are related to assets that are not included in the Assets, (B) such books and records as are related to Liabilities of such Seller or any of its Affiliates which do not constitute Assumed Liabilities, (C) such books and records (whether copies or originals) relating to formation, qualifications to conduct business as a foreign corporation or other legal entity, arrangements with registered agents relating to foreign qualifications, taxpayer and other identification numbers, seals, minute books, stock transfer books, stock ledgers, by-laws and other documents relating to the organization and existence of such Seller as a corporation or other legal entity, as applicable (together with analogous documentation), (D) except as may be related to store level information, all tax and financial accounting returns and records, (E) such books and records which are covered by attorney-client privilege, candid self-analysis privilege, work product privilege or other similar privileges, (F) such books and records that such Seller is required by Law to retain and is prohibited by Law from providing a copy to Buyer, (G) such Books and Records that such Seller prepared in connection with, or that relate to, the transactions contemplated by this Agreement and/or the Chapter 11 Case, including bids received

from other parties, and (H) ~~personnel files~~, employee medical files and related documents;

(vii) all stock certificates and all shares of capital stock or other equity interests of a Seller, or securities convertible into or exchangeable or exercisable for any such shares of capital stock or other equity interests;

(viii) all contracts of Sellers other than (A) the Store Leases and the Corporate Headquarters Lease, (B) the Assigned Contracts and (C) the Assigned Licenses;

(ix) all cash and cash equivalents, bank accounts and securities of such Seller other than Closing Cash;

(x) all assets of such Seller and any Affiliate thereof primarily related to (A) stores or store properties not included among the Store Properties or not primarily related to the Business or (B) employees of such Seller ~~who do not become employees of Buyer~~;

(xi) the rights which accrue or will accrue to such Seller under the Transaction Documents;

(xii) all equipment and other assets and items located in or at the Store Properties or the Corporate Headquarters that are (A) owned by third parties, (B) leased to such Seller or an Affiliate thereof, in each case, pursuant to a contract or agreement that is not an Assigned Contract or an Assigned License or (C) are trucks, vans, autos, rail trucks or sea containers;

(xiii) the following Inventory: (A) out-of-date or damaged Inventory, (B) car wash chemicals, and (C) merchandise related to firearms, ammunition, explosives and any other similar items which cannot by Law be transferred to, or resold by, Buyer (all of the items described in (A) through (C) shall not be included among the Assets or within the term "Inventory" and are collectively referred to as the "Excluded Inventory");

(xiv) all receivables (including any accounts receivable), claims (including insurance claims) or causes of action that relate to any Excluded Asset or Excluded Liability or any employees of such Seller ~~who are not Transferred Employees~~;

(xv) all Benefit Arrangements; and

(xvi) all property which, upon installation thereof, under the relevant Store Lease or Corporate Headquarters Lease becomes the property of the landlord thereunder.

(c) Assumption of Certain Liabilities. On and subject to the terms and conditions of this Agreement and the Sale Order, at each Closing, Buyer shall assume and agree to pay, perform and discharge when due only the following Liabilities (collectively, the "Assumed Liabilities"):

(i) all Liabilities arising out of or relating to the operation of the Business or the ownership of the Assets (whether by leasehold or fee) after the applicable Effective Time;

(ii) all Liabilities arising under or relating to the Store Leases, [the Corporate Headquarters Lease](#), Assigned Contracts, Assigned License and Labor Agreements, in each case after the applicable Effective Time;

(iii) all Liabilities for Taxes relating to the Store Properties, [the Corporate Headquarters](#), the Assets or the Assumed Liabilities for any taxable period (or portion thereof) beginning after the applicable Effective Time;

(iv) all Liabilities of each Seller with respect to Permitted Encumbrances or Permitted Liens; and

(v) all other Liabilities assumed by Buyer under this Agreement or any other Transaction Document, including under [Section 4.5](#) (including Assumed Employee Liabilities).

Notwithstanding anything to the contrary contained in this Agreement, all Assumed Liabilities which are (a) located at, or otherwise primarily related to, a Store Property shall be transferred and assumed by Buyer hereunder at the Closing for such Store Property, and (b) not located at, or otherwise primarily related to, any Store Property shall be transferred and assumed by Buyer hereunder at the ~~initial~~[Initial](#) Closing.

(d) Excluded Liabilities. Notwithstanding anything to the contrary in this Agreement, Buyer shall not assume any Liabilities that are not Assumed Liabilities (such excluded Liabilities, collectively, the “Excluded Liabilities”). In furtherance of, and not in limitation of, the foregoing and notwithstanding anything to the contrary in this Agreement, Buyer shall not assume any of the following (each of which shall also constitute Excluded Liabilities):

(i) any Excluded Employee Liabilities; and

(ii) any Liability under or with respect to any Indebtedness of any Seller or Affiliate or predecessor thereof (provided, however, that the foregoing shall not be deemed to include any Permitted Encumbrances or Permitted Liens encumbering the Assets).

Section 1.2 Purchase Price; Deposit.

(a) Subject to adjustment as set forth in [Section 1.5](#), the aggregate consideration (collectively, the “Purchase Price”) to be paid by Buyer for the Assets acquired by Buyer hereunder, in addition to the assumption of the Assumed Liabilities, shall consist of:

(i) the Base Amount; plus

(ii) the Closing Adjustment Amount.

(b) Buyer hereby pledges, for the benefit of Sellers, a portion of the allowed secured claims evidenced by the Replacement DIP Loan (as defined below) in an amount equal to \$5,750,000 (the “Buyer Deposit”). If this Agreement is validly terminated pursuant to Section 6.1(d)(i), an amount equal to the Buyer Deposit shall be deemed satisfied from Sellers’ obligation to Buyer or Buyer’s Affiliate under the Replacement DIP Loan in accordance with the terms of Section 6.3. At the Initial Closing, Buyer and Sellers shall enter into an escrow agreement (as amended, the “Escrow Agreement”) with [Titlevest Services, LLC] (the “Escrow Holder”), in the form attached hereto as Exhibit A, pursuant to which Buyer shall deposit \$6,000,000 (the “Holdback Amount”), which shall be disbursed in accordance with the terms of this Agreement and the Escrow Agreement.

Section 1.3 Closing.

(a) The closing of the transactions contemplated hereby with respect to the Store Assets with respect to the applicable Store Properties (each such closing, a “Closing”, and the first such closing, the “Initial Closing”) shall take place as described below at 10:00 a.m. Los Angeles, California time on the later of (i) the second (2nd) Business Day following the satisfaction or (to the extent permitted) waiver of the conditions set forth in ARTICLE 5 (excluding those conditions that, by their terms, cannot be satisfied until such Closing), or (ii) the Closing Date for such Store Assets as set forth in the Closing Schedule. Each Closing shall be effective as of 12:01 a.m. Los Angeles, California time (the “Effective Time”) on the day of such Closing (each, a “Closing Date”). The Closing with respect to the Corporate Assets shall take place at the Initial Closing.

(b) Attached hereto as Exhibit B is a Closing schedule setting forth the target timing of each Closing, the Store Properties and Store Assets to be purchased at such Closing, the amount of the Base Amount allocated to such Store Properties and Store Assets, and the amount of the Base Amount allocated to Corporate Assets² (such Closing schedule, as amended from time to time in accordance with this Section 1.3(b), the “Closing Schedule”).³ The Parties agree to cooperate to facilitate each Closing according to the Closing Schedule. The Parties shall reasonably cooperate with each other to (i) make adjustments, as may be reasonably requested in writing by Buyer or Sellers from time to time, to the Closing Schedule and (ii) facilitate the Closings according to the Closing Schedule as adjusted; provided, that such adjustments shall be conditioned upon the prior written approval of the Party not making such request, which approval shall not be unreasonably withheld, conditioned or delayed; provided, further, that without limitation, it shall not be deemed unreasonable for Sellers to deny any request to extend (x) the date of the Initial Closing beyond 90 days from the date hereof or (y) the date of the final Closing beyond 120 days from the date hereof.

Section 1.4 Closing Actions and Deliveries.

(a) At least three (3) Business Days prior to each Closing Date, Sellers shall have prepared and delivered to Buyer a statement (the “Estimated Statement”) setting forth, with reasonable supporting detail, Sellers’ good faith estimate of (i) the Closing Adjustment

² ~~Note to Haggen: ABS does not expect to attribute any of the Base Amount to the Corporate Assets.~~

³ ~~Note to Haggen: ABS anticipates that it will close on the Haggen legacy stores and the corporate assets 60 days after signing and then close on the legacy ABS stores within 30 days thereafter.~~

Amount (the “Estimated Adjustment Amount”) and (ii) the Closing Consideration with respect to the Store Properties applicable to such Closing Date. Following delivery by Sellers to Buyer of the Estimated Statement, and until the close of business on the Business Day prior to the applicable Closing Date, Buyer shall be permitted to review Sellers’ calculations contained therein and Sellers shall provide Buyer and its representatives with such access during normal business hours to Sellers’ books and records and management of Sellers and their respective Affiliates as Buyer may reasonably request in order for Buyer and Buyer’s representatives to review the Estimated Statement. Sellers shall consider in good faith any revisions to the calculations set forth in the Estimated Statement proposed in good faith by Buyer and, to the extent Sellers agree to any such revisions, such revisions shall be binding on the Parties for purposes of determining the Estimated Statement. As soon as practicable after the calculation of the Closing Inventory Valuation for a Store Property in accordance with Section 4.11 and prior to the applicable Closing, Sellers shall update the Estimated Statement to reflect the calculation of the Closing Inventory Valuation for such applicable Store Property.

(b) At the Initial Closing and each subsequent Closing (other than the final Closing), the total consideration to be paid by Buyer at such Closing shall be payable through (i) a dollar-for-dollar satisfaction of Sellers’ obligation to Buyer (or its Affiliates) under any replacement debtor-in-possession financing provided by Buyer (or its Affiliates) to Sellers (“Replacement DIP Loan”) in an amount equal to 63.25% of the total consideration to be paid by Buyer at ~~the Initial~~such Closing and (ii) cash, in an amount equal to the remaining consideration to be paid by Buyer at ~~the Initial~~such Closing. At the final Closing, the total consideration to be paid by Buyer at such Closing shall be payable through (i) a dollar-for-dollar satisfaction of Sellers’ obligation to Buyer (or its Affiliates) under the Replacement DIP Loan until Sellers’ obligations to Buyer (or its Affiliates) under such Replacement DIP Loan have been paid in full and (ii) cash, in an amount equal to the remaining consideration to be paid by Buyer at the final Closing, if any. At the Initial Closing, the cash component of the total consideration to be paid by Buyer at the Initial Closing shall be reduced by the Holdback Amount, and Buyer shall deliver the Holdback Amount to the Escrow Holder.

(c) Unless otherwise provided below, on each Closing Date, each Seller, as applicable, shall deliver to Buyer:

(i) a bill of sale in the form of Exhibit C hereto (the “Bill of Sale”), duly executed by such Seller, transferring the tangible personal property included in the Assets to Buyer;

(ii) at the applicable Closing, an assignment and assumption agreement in the form of Exhibit D hereto (the “Assignment and Assumption Agreement”), duly executed by such Seller, effecting the assignment to and assumption by Buyer of the Assets and the Assumed Liabilities;

(iii) at the applicable Closing, with respect to each Store Lease and each Assigned License, and at the Initial Closing, the Corporate Headquarters Lease, an Assignment and Assumption of Lease substantially in the form of Exhibit E (each, an

“Assignment and Assumption of Lease”), duly executed, and if applicable acknowledged, by such Seller;⁴

(iv) at the Initial Closing, a certificate pursuant to Treasury Regulations Section 1.1445-2(b), in a form reasonably acceptable to Buyer, that such Seller is not a foreign person within the meaning of Section 1445 of the Code, duly executed by such Seller;

(v) at the Initial Closing, a certificate of the secretary of such Seller certifying to (A) such entity’s certificate of formation and limited liability company agreement or certificate of incorporation and bylaws (or similar governing documents), (B) the adoption of resolutions of such entity approving the transactions contemplated hereby, and (C) the incumbency of the officers signing this Agreement and other Transaction Documents on behalf of such entity (together with their specimen signatures);

(vi) the Sellers’ Closing Certificate;

(vii) at the applicable Closing, evidence satisfactory to Sellers of the termination of any guarantees provided by any Affiliate of any Seller of the Store Lease with respect to the Spirit Store Properties;

(viii) at the applicable Closing, a special warranty (or grant) deed substantially in the form of Exhibit F hereto (each, a “Deed”), duly executed by such Seller, conveying fee simple title to the Owned Real Property to Buyer, subject only to any Permitted Exceptions;

(ix) ~~A sublease termination agreement for ABS Store #537 (Haggen Store Property #2102) and ABS Store #465 (Haggen Store Property #2075) and a lease termination for ABS Store #401 (Haggen Store Property #2089), duly executed by such Seller, effecting the termination of the existing subleases or lease between Haggen Property North, LLC and Haggen Opco North, LLC; [Reserved.];~~

(x) At the applicable Closing, a sublease termination agreement substantially in the form of Exhibit H for ABS Store #521 (Haggen Store Property #2081), ABS Store #576 (Haggen Store Property #2074), ABS Store #225 (Haggen Store Property #2093), and ABS Store #568 (Haggen Store Property #2080), duly executed by such Seller, effecting the termination of the existing subleases between Haggen Operations Holdings, LLC and Haggen Opco North, LLC;

(xi) an intellectual property assignment agreement in the form of Exhibit G hereto (the “IP Assignment Agreement”), duly executed by the Sellers, effecting the assignment of the Intellectual Property included in the Assets to Buyer;

(xii) if applicable, a DEA power of attorney in accordance with 21 C.F.R. §1305.5(b) and such other powers of attorney in accordance with Section 4.7(b);

⁴~~Sellers to confirm that all of the Haggen legacy stores are space leases and not ground leases.~~

(xiii) at the Initial Closing, the Escrow Agreement, duly executed by Sellers; and

(xiv) such other documents, instruments or certificates as shall be reasonably requested by Buyer.

(d) Unless otherwise provided below, on each Closing Date, Buyer shall deliver to Sellers:

(i) the cash component of the Closing Consideration applicable to such Closing by wire transfer of immediately available funds to the account(s) specified in writing by Sellers;

(ii) evidence of the satisfaction of the amount of Replacement DIP Loan applicable to such Closing;

(iii) each Bill of Sale, each Assignment and Assumption Agreement, each Assignment and Assumption of Lease and the Escrow Agreement, each duly executed, and if applicable acknowledged, by Buyer;

(iv) at the Initial Closing, a certificate of the secretary of Buyer certifying to (A) Buyer's certificate of formation and limited liability company agreement (or similar governing documents), (B) the adoption of resolutions of Buyer approving the transactions contemplated hereby, and (C) the incumbency of the officers signing this Agreement and other Transaction Documents on behalf of Buyer (together with their specimen signatures);

(v) if Buyer has elected pursuant to Section 7.3 to assign or designate in whole or in part its rights or obligations hereunder to one or more Affiliates of Buyer, a certificate of the secretary of such Affiliate of Buyer certifying to (A) such Affiliate of Buyer's certificate of formation and limited liability company agreement (or similar governing documents), (B) the adoption of resolutions of such Affiliate of Buyer approving the transactions contemplated hereby, and (C) the incumbency of the officers signing this Agreement and other Transaction Documents on behalf of such Affiliate of Buyer (together with their specimen signatures);

(vi) the Buyer's Closing Certificate; and

(vii) such other documents, instruments or certificates as shall be reasonably requested by Sellers.

Section 1.5 Purchase Price Adjustment.

(a) The following items, for the pertinent time periods, shall be adjusted and shall be added to (in the case of amounts to be paid by Buyer) or deducted from (in the case of amounts to be paid by Sellers) the Purchase Price, as the case may be, (an amount equal to the sum of such additions (which shall be expressed as positive numbers in such calculation) and

deductions (which shall be expressed as negative numbers in such calculation), which may be a positive or negative number, the “Adjustment Amount”):

(i) personal property Taxes associated with the Assets, Corporate Headquarters or Store Properties that are imposed on a periodic basis and are required to be paid for a Tax period that includes (but does not end on) the applicable Closing Date shall be prorated as of the applicable Effective Time between Buyer and Sellers as follows: Sellers shall bear the proportion of, and shall have the sole responsibility for, such Taxes equal to a fraction, the numerator of which is equal to the number of days which shall have elapsed from the beginning of the applicable Tax period through the applicable Effective Time and the denominator of which is the number of days in the entire applicable Tax period and Buyer shall be responsible for the remainder (the “Personal Property Tax Proration”);

(ii) the real property Taxes and assessments including commercial rent Taxes, ad valorem, sewer rents, business improvement district, license, intangibles and other similar Taxes (including any similar personal property Taxes) (“Real Property Taxes”) required to be paid by a Seller or any Affiliate thereof pursuant to the Store Leases, the Corporate Headquarters Lease or in connection with the Owned Real Property shall be prorated as of the applicable Effective Time between Buyer and Sellers as follows: Sellers shall bear the proportion of, and shall have the sole responsibility for, such real property Taxes equal to a fraction, the numerator of which is equal to the number of days which shall have elapsed from the beginning of the applicable Tax period through the applicable Effective Time and the denominator of which is the number of days in the entire applicable Tax period and Buyer shall be responsible for the remainder (the “Real Property Tax Proration”). From and after the applicable Closing Date, Buyer agrees to take all actions reasonably necessary to notify all applicable federal, state, and local governmental authorities of the change of ownership and address to which all such tax statements and related information should be mailed to ensure Buyer’s receipt thereof;

(iii) the Adjustment Amount shall be increased for the full amount of all Deposits and Closing Cash included in the Assets;

(iv) the Adjustment Amount shall be decreased, on a dollar for dollar basis, for any unpaid Gift Card Reimbursement or Gift Certificate Reimbursement obligation of Sellers pursuant to Section 4.12;

(v) the Adjustment Amount shall be decreased for amounts payable by Buyer with respect to the Assumed Employee Liabilities to Transferred Employees ~~in accordance with the valuations set forth on Section 1.5(a)(v) of the Disclosure Schedule~~⁵;

(vi) If the Closing Inventory Valuation at a Store Property is greater than the value of the Inventory at such Store Property set forth on Section 2.8(e) of the Disclosure Schedule, then the Adjustment Amount shall be increased, on a dollar for

⁵ ~~To attach an agreed-upon schedule ascribing valuations to categories of Assumed Employee Liabilities. —
Albertson's expects that such schedule would be consistent with the calculations agreed in connection with Project Wave.~~

dollar basis, by such difference. If the Closing Inventory Valuation at a Store Property is less than the value of the Inventory at such Store Property set forth on Section 2.8(e) of the Disclosure Schedule, then the Adjustment Amount shall be decreased, on a dollar for dollar basis, by such difference;

(vii) Sellers shall attempt to obtain final meter readings for utilities at the Store Properties and the Corporate Headquarters as of the applicable Effective Time and shall pay for all utilities through the applicable Effective Time and, in the event a Seller shall not have paid for any such utilities because it was not practicable to obtain any such meter reading for any utility as of the applicable Effective Time or because there are utilities which are not metered, then the cost of any such utilities shall be prorated as of the applicable Effective Time between Sellers and Buyer (based on Sellers' good faith estimates of such costs based on Sellers' most recent utility bills for such services) as follows: Sellers shall bear the proportion of, and shall have the sole responsibility for, such utilities equal to a fraction, the numerator of which is equal to the number of days which shall have elapsed from the beginning of the applicable utility period through the applicable Effective Time and the denominator of which is the number of days in the entire applicable utility period and Buyer shall be responsible for the remainder (the "Utility Proration"); provided, however, that the ~~Final~~final Adjustment Amount shall account for any deficiency in the original proration based on the final utility bills once received;

(viii) any and all other Store Lease or Corporate Headquarter Lease related income, expenses, payments or receipts, rentals, costs, charges or fees connected with a Seller's or any Affiliate of a Seller's use or operation of any Store Property, including, without duplication, Prepaid Expenses, and all common area costs paid by a Seller or any Affiliate thereof to landlords or third parties pursuant to any declarations, reciprocal easement agreements, shopping center covenants or other covenants, conditions and restrictions that encumber any Store Property, shall be prorated between Sellers and Buyer as of the applicable Effective Time and Sellers shall bear their (and their Affiliates') proportion thereof through the applicable Effective Time; any and all revenues from Assets such as copy machines, vending machines, pay phones and the like shall be apportioned as of the end of the month in which the applicable Effective Time occurs and Sellers shall retain such revenues for that month prior to the applicable Effective Time; and with respect to any percentage rents on adjusted gross sales payable under any of the Store Leases ("Percentage Rents"): (A) such Percentage Rents shall be estimated as of the applicable Effective Time for the month or quarter (as the case may be) for the relevant installment; (B) such estimated Percentage Rents shall be apportioned for that payment period as between the Buyer and Sellers as of the applicable Effective Time (the "Percentage Rent Proration"); (C) the estimated amount of such Percentage Rents apportioned to Sellers shall be taken into account in calculating the Estimated Adjustment Amount hereunder (and shall therefore reduce the amount payable by the Buyer at the applicable Closing); (D) the actual Percentage Rents payable for such installment period, if any, shall be paid by Buyer when due; and (E) the ~~Final~~final Adjustment Amount shall account for any inaccuracy in the original proration of Percentage Rent based on the final invoices for Percentage Rent once received; and

(ix) the Adjustment Amount shall be (A) decreased by the amount of any transfer taxes owed by Sellers pursuant to Section 4.1 in the event that such amount has not been paid at the Closing, and (B) increased by the amount of any transfer taxes owed by Buyer pursuant to Section 4.1 in the event that such amount has not been paid at the Closing.

(b) Within one hundred and twenty (120) days after the final Closing Date, Buyer shall prepare and deliver to Sellers a statement (the “Closing Statement”) calculating the Adjustment Amount as of each Closing Date with respect to each Store Property (the “Closing Adjustment Amount”).

(c) If Sellers dispute any amounts as shown on the Closing Statement, Sellers shall deliver to Buyer within thirty (30) days after receipt of the Closing Statement a notice (the “Dispute Notice”) setting forth Sellers’ calculation of such amounts and describing in reasonable detail the basis for the determination of such different amounts. If Sellers do not deliver a Dispute Notice to Buyer within such thirty (30) day period, the Closing Statement prepared and delivered by Buyer shall be deemed to be the “Final Closing Statement.” The Parties shall use commercially reasonable efforts to resolve such differences within a period of thirty (30) days after Sellers have given the Dispute Notice. If the Parties resolve such differences, the Closing Statement agreed to by the Parties shall be deemed to be the Final Closing Statement. If Buyer and Sellers do not reach a final resolution on the Closing Statement within thirty (30) days after Sellers have given the Dispute Notice, unless Buyer and Sellers mutually agree to continue their efforts to resolve such differences, the Neutral Accountant shall resolve such differences, pursuant to an engagement agreement by and among Buyer, Sellers and the Neutral Accountant (which Buyer and Sellers agree to execute promptly), in the manner provided below. The Neutral Accountant shall only decide the specific items under dispute by the Parties (the “Disputed Items”), solely in accordance with the terms of this Agreement. Buyer and Sellers shall each be entitled, along with its agents and representatives, to make a presentation to the Neutral Accountant, pursuant to procedures to be agreed to among Buyer, Sellers and the Neutral Accountant (or, if they cannot agree on such procedures, pursuant to procedures determined by the Neutral Accountant), regarding such Party’s determination of the amounts to be set forth on the Final Closing Statement; and the Parties shall use commercially reasonable efforts to cause the Neutral Accountant to resolve the differences between Buyer and Sellers and determine the amounts to be set forth on the Final Closing Statement within twenty (20) days after the engagement of the Neutral Accountant. The Neutral Accountant’s determination shall be based solely on such presentations of the Parties (i.e., not on independent review) and on the definitions and other terms included herein; provided, that, notwithstanding anything to the contrary in this Section 1.5(c), the Neutral Accountant shall consider in good faith any reasonable third party evaluation of the Closing Statement commissioned by Buyer or any Seller at its own expense. The Closing Statement determined by the Neutral Accountant shall be deemed to be the Final Closing Statement. Such determination by the Neutral Accountant shall be conclusive and binding upon the Parties, absent fraud or manifest error, and shall be considered an arbitral award for all purposes. The fees and expenses of the Neutral Accountant shall be paid by the Party whose calculation of the Closing Adjustment Amount is farther from the Neutral Accountant’s calculation thereof. Nothing in this Section 1.5(c) shall be construed to authorize or permit the Neutral Accountant to: (i) determine any questions or matters whatsoever under or in

connection with this Agreement except for the Disputed Items; or (ii) resolve any such differences by making an adjustment to the Closing Statement that is outside of the range defined by amounts as finally proposed by Buyer and Sellers. Sellers and their accountants and other representatives shall be permitted reasonable access to the financial records of Buyer used to prepare the Closing Statement, at reasonable times during regular business hours during the period beginning on the delivery of the Closing Statement and ending on the date when the Final Closing Statement shall have been finalized.

(d) Promptly, but no later than five (5) Business Days after the final determination of the Closing Statement, if the Closing Adjustment Amount set forth in the Closing Statement: (i) exceeds the Estimated Adjustment Amount, Buyer shall pay or cause to be paid, by wire transfer of immediately available funds to the account(s) designated by Sellers, such excess amount and Buyer and Sellers shall instruct the Escrow Holder to deliver ~~[\$5,200,000]~~⁶\$5,750,000 from the Holdback Amount to Sellers; or (ii) is less than the Estimated Adjustment Amount, Buyer and Sellers shall instruct the Escrow Holder to deliver an amount equal to such shortfall to Buyer from the Holdback Amount, and (x) to the extent the shortfall exceeds ~~[\$5,200,000]~~\$5,750,000, Buyer and Sellers shall instruct the Escrow Holder to deliver ~~[\$5,200,000]~~\$5,750,000 from the Holdback Amount to Buyer and Sellers shall pay or cause to be paid the excess of the shortfall over ~~[\$5,200,000]~~\$5,750,000 by wire transfer of immediately available funds to the account(s) designated by Buyer, or (y) to the extent the shortfall amount is less than ~~[\$5,200,000]~~\$5,750,000, Buyer and Sellers shall instruct the Escrow Holder to deliver the difference between such shortfall and ~~[\$5,200,000]~~\$5,750,000 to Sellers. Any payments made pursuant to this Section 1.5(d) shall be treated as an adjustment to the Purchase Price by the Parties and shall be paid in cash.

(e) Notwithstanding anything to the contrary contained herein, if the Personal Property Tax Proration, Real Property Tax Proration or Percentage Rents Proration cannot be finally determined at the time of the delivery of the Closing Statement because of the unavailability of the final amount of applicable Taxes or Percentage Rents Proration at such time, such items shall be apportioned or reapportioned, as the case may be, as soon as practicable after the delivery of the Final Closing Statement. Upon any such apportionment or reapportionment, Sellers or Buyer (as the case may be) shall pay any amounts due to the other Party as a result thereof within thirty (30) days after written demand (accompanied by reasonable supporting documentation). If the Personal Property Tax Proration, Real Property Tax Proration or Percentage Rents Proration cannot be so finally determined at the time of the delivery of the Closing Statement, the Holdback Amount shall be held by the Escrow Holder until such apportionment or reapportionment and Buyers and Sellers shall instruct the Escrow Holder to disburse funds from the Holdback Amount in accordance with the procedures described in Section 1.5(d) above.

(f) To the extent any amounts reimbursable by Sellers to Buyer pursuant to Section 4.11 or Section 4.12 are not so paid when due and payable in accordance with such Sections, Buyer and Sellers shall promptly instruct the Escrow Holder to deliver from the Holdback Amount an amount equal to such unpaid amounts to Buyer, and, upon the date that is one hundred and eighty (180) days after the final Closing Date, Buyer and Sellers shall instruct

⁶ ~~Amount to be retained for gift card obligations beyond initial release of Holdback under discussion by the parties.~~

the Escrow Holder to deliver to Buyer an amount in cash equal to the remaining unpaid reimbursable amounts payable by Sellers to Buyer pursuant to Section 4.11 or Section 4.12.

(g) To the extent any amount remains in the Holdback Amount after the final resolution of all payments by the Escrow Holder pursuant to Sections 1.5(d), (e) and (f) above, Buyer and Sellers shall direct the Escrow Holder to deliver such remaining amount to Sellers.

(h) If any payments are to be made from Sellers to Buyer pursuant to any provision of this Agreement (including, but not limited to this Section 1.5), such amounts owed from Sellers to Buyer shall be entitled to administrative priority treatment under Section 503 of the Bankruptcy Code. Sellers shall not have any right to set-off amounts due Buyer pursuant to this Agreement by any amounts which may be owed by Buyer to Sellers pursuant to any other agreement or Order.

Section 1.6 Allocation of Purchase Price.

Buyer and Sellers shall agree on the allocation of the Purchase Price (including any liabilities that are considered to be an increase to the Purchase Price for federal income Tax purposes) among the Assets within ~~sixty (60)~~ one hundred and fifty (150) days after the final Closing Date. Such allocation shall be consistent with the Closing Schedule, as reasonably adjusted based on the adjustments set forth in Section 1.5. The Parties agree to file (or cause to be filed) (i) all required federal Forms 8594, an Asset Acquisition Statement under Section 1060, and (ii) all other Tax Returns (including amended Tax Returns and claims for refund) in a manner consistent with such allocation of the Purchase Price described herein. The Parties agree to refrain from taking any position that is inconsistent with such allocation, and to use their commercially reasonable efforts to sustain such allocation in any subsequent Tax audit or Tax dispute.

Section 1.7 Casualty/Condemnation Stores / Damages

(a) Notwithstanding anything to the contrary in this Agreement, if, during the period beginning on the date hereof and ending on the applicable Effective Time, any Store Property is materially damaged, or destroyed, by fire or other casualty or subject to a taking, or there is material damage to the parking areas or material inhibited access to such Store Property (any such Store Property, a "Casualty/Condemnation Store") such that restoration of such Store Property, parking areas, access, as applicable, to substantially the same condition as prior to such casualty/condemnation would (a) take six (6) months or longer, (b) in the case of a condemnation, such Store Property, parking area or access cannot be substantially restored to the condition prior to such condemnation or (c) the applicable landlord of such Store Property shall have the proper right to terminate the applicable Store Lease as a result of such casualty or condemnation, then the applicable Seller and any of such Seller's Affiliates shall, except to the extent that Sellers have, or have caused to be, repaired such Store Property, parking area or access to substantially the same condition as its pre-damage or pre-destruction condition, remit to Buyer any insurance proceeds or condemnation awards ("Proceeds") received by such Seller or any of such Seller's Affiliates in respect of any such damage or destruction on the later of (i) the applicable Closing and (ii) the third (3rd) Business Day after the receipt of such proceeds by such Seller or any of such Seller's Affiliates, and shall, upon the request of Buyer, assign to Buyer,

effective upon the applicable Closing Date, the rights of such Seller, or any of such Seller's Affiliates to receive any such Proceeds with respect to any such occurrence prior to such time. In the event the insurance proceeds or condemnation awards are insufficient to compensate Buyer upon the casualty or condemnation of a Casualty/Condemnation Store (taking into account the Purchase Price allocated to such Store Property), then an appropriate adjustment shall be made to the Purchase Price as it relates to such Casualty/Condemnation Store.

(b) If any Damage to Improvements at a Store Property is covered under the Sellers' insurance policies, Buyer shall take possession of such Store Property at the applicable Closing and, except to the extent Sellers have, or have caused to be, repaired such Store Property to substantially the same condition existing prior to the Damage or otherwise in a manner reasonably satisfactory to Buyer prior to the applicable Closing, Sellers shall assign to Buyer (or to the landlord if required by the applicable Store Lease) any right they have to any unexpended insurance proceeds relating to such Damage (with Sellers being responsible for any deductible payable with respect to such Damage); provided, however, in the event that the landlord is responsible for such repairs, loss or destruction pursuant to the terms of the relevant Store Lease, Buyer shall take possession of such Store Property and close on such Store Property (subject to any right of the landlord to terminate the Store Lease) at the applicable Closing without any payment from Sellers of insurance proceeds or otherwise and Sellers shall assign to Buyer any claim they have under such Store Lease with respect thereto.

(c) To the extent Damage to Improvements at a Store Property is not covered under Sellers' insurance policies, Sellers shall pay to Buyer (or, at Buyer's option, offset against the Purchase Price) an amount reasonably sufficient to allow Buyer to repair, replace and restore the Improvements at such Store Property to pre-damage condition; provided, however, in the event that the landlord is responsible for such repairs, loss or destruction pursuant to the terms of the relevant Store Lease, Buyer shall take possession of such Store Property and close on such Store Property (subject to any right of the landlord to terminate the Store Lease) at the applicable Closing without any payment from Sellers and Sellers shall assign to Buyer any claim they have under such Store Lease with respect thereto.

(d) If a Damage to Equipment occurs, Sellers or their Subsidiaries shall either (i) assign to Buyer any right they have to any unexpended insurance proceeds relating to such Damage (with Sellers being responsible for any deductible payable with respect to such Damage), or (ii) pay to Buyer (or, at Buyer's option, offset against the Purchase Price) an amount reasonably sufficient to allow Buyer to repair, replace and restore such Equipment to substantially the same condition as its pre-damage condition. If such Damage is not covered under the Sellers' insurance policies, then the Parties shall proceed to the applicable Closing and an appropriate adjustment shall be made to the Purchase Price as it relates to such Damaged Equipment.

(e) Notwithstanding anything to the contrary set forth herein, the sum of (i) any payment obligations of Sellers under this Section 1.7 and (ii) any adjustments to the Purchase Price under this Section 1.7 shall in no event exceed \$5,000,000 (the "Damage Recovery Cap"), provided that any Proceeds remitted to Buyer or insurance claims assigned to Buyer pursuant to this Section 1.7 shall not apply towards the Damage Recovery Cap.

Section 1.8 Designation Rights Contracts.

(a) Preservation of Contracts. From the date hereof until the expiration of the Designation Rights Period, Sellers shall not reject any Assignable Contract unless such Assignable Contract is designated by Buyer as an Excluded Contract or unless otherwise agreed to in writing by Buyer.

(b) Designation Right Contracts.

(i) Any Assignable Contract not designated by Buyer as either an Assigned Contract or an Excluded Contract prior to the Initial Closing shall constitute a “Designation ~~Right~~Rights Contract”. With respect to any such Designation ~~Right~~Rights Contract, (i) Buyer shall reimburse Sellers and thereby be solely responsible for all costs associated with the continuation by Sellers of such Designation ~~Right~~Rights Contract (as set forth in a budget proposed by Sellers and approved by Buyer no later than ten (10) ~~elays~~days prior to the Initial Closing Date (such budget, the “Designation ~~Right~~Rights Budget”)) for the period from the Initial Closing through the earlier of (A) the end of the Designation Rights Period and (B) the date of the Sellers’ receipt of written notice from ~~Purchaser~~Buyer authorizing the rejection of such Designation ~~Right~~Rights Contract (any contract so rejected, an “Excluded Contract”), (ii) for the avoidance of doubt, all cash collected by Sellers in respect of, and other benefits deriving from, such Designation ~~Right~~Rights Contract shall be promptly delivered to Buyer, and (iii) the foregoing shall not affect the validity of the transfer to Buyer of any other Asset that may be related to such Designation ~~Right~~Rights Contract. Buyer shall have no liability for any costs, expenses or other liabilities for any Designation ~~Right~~Rights Contract in excess of the amount set forth on the Designation ~~Right~~Rights Budget with respect to such Designation ~~Right~~Rights Contract.

(ii) As to each Designation ~~Right~~Rights Contract, as soon as practical after receiving further written notice(s) (each, an “Assumption Notice”) from Buyer during the ~~applicable~~ Designation Rights Period requesting assumption and assignment of any Designation ~~Right~~Rights Contract, Sellers shall, subject to Buyer’s demonstrating adequate assurance of future performance thereunder, take all actions required by the Sale Order or otherwise that are reasonably necessary to seek to assume and assign to Buyer pursuant to Section 365 of the Bankruptcy Code any Designation ~~Right~~Rights Contract(s) set forth in an Assumption Notice, and any applicable Cure Amount shall be satisfied in accordance with this Agreement.

(iii) As to each Designation ~~Right~~Rights Contract, as soon as practical after receiving further written notice(s) (each, an “Rejection Notice”) from Buyer during the ~~applicable~~ Designation Rights Period requesting rejection of any Designation ~~Right~~Rights Contract, Sellers shall take all actions required by the Sale Order or otherwise that are reasonably necessary to reject such contract pursuant to Section 365 of the Bankruptcy Code.

(iv) From and after the ~~date entry of this Agreement~~the Sale Order until the Initial Closing, Sellers may provide written notice to Buyer requesting that the Buyer permit the rejection of any Designation ~~Right~~Rights Contract (and such notice shall include the estimated costs associated with each such Designation ~~Right~~Rights Contract associated with the continuation by Sellers of such Designated Right Contract) that is, as reasonably determined in

good faith by Sellers, not required for the continued operation by the Sellers of the Store Properties in accordance with the provisions of this Agreement until the final Closing (a ~~"Seller Rejection Notice"~~). For a period of seven (7) Business Days after receipt of a Seller Rejection Notice, Buyer may provide written notice (a ~~"Buyer Objection Notice"~~) to Sellers (x) objecting to the proposed rejection of any or all Designation ~~Right~~Rights Contracts set forth in the Seller Rejection Notice and (y) agreeing to reimburse Sellers and thereby be solely responsible for all costs associated with continuation by Sellers of such Designation ~~Right~~Rights Contract from and after the delivery of the Buyer Objection Notice through the earlier of (A) the end of the Designation Rights Period and (B) the date of Sellers' receipt of written notice from Buyer authorizing the rejection of such Designation Rights Contract. If Buyer does timely object to a Designation ~~Right~~Rights Contract and agree to reimburse Sellers as provided in the foregoing sentence, then such Designation Rights Contract shall not be rejected by Seller, and, for the avoidance of doubt, such contract shall remain as a Designation ~~Right~~Rights Contract. If Buyer does not deliver such objection with respect to a Designation ~~Right~~Rights Contract set forth in the Seller Rejection Notice, Sellers may take all actions required or authorized by the Sale Order or otherwise to reject such contract pursuant to Section 365 of the Bankruptcy Code.

(v) Sellers and Buyer agree and acknowledge that the covenants set forth in this Section 1.8 shall survive the final Closing.

(vi) Notwithstanding anything in this Agreement to the contrary, on the date any Designation ~~Right~~Rights Contract is assumed and assigned to ~~Purchaser~~Buyer pursuant to this Section 1.8(b), such Designation ~~Right~~Rights Contract shall be deemed ~~aan~~ Assigned Contract for all purposes under this Agreement and no further consideration shall be required to be paid for any Designation ~~Right~~Rights Contract that is assumed and assigned to Buyer.

ARTICLE 2 REPRESENTATIONS AND WARRANTIES OF SELLERS

Except as set forth in the Disclosure Schedule, Sellers hereby jointly and severally represent and warrant to Buyer as follows:

Section 2.1 Organization and Qualification.

(a) Each Seller is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization. Subject to the necessary authority from the Bankruptcy Court, each Seller has the requisite limited liability company or corporate power and authority, as applicable, to own, lease and operate its properties and to carry on its business as presently conducted.

(b) Subject to the necessary authority from the Bankruptcy Court, such Seller is duly qualified or licensed to do business and is in good standing (or the equivalent thereof) in each jurisdiction in which the property owned, leased or operated by it, or the nature of the business conducted by it, makes such qualification or licensing necessary, except in such jurisdictions where the failure to be so duly qualified or licensed and in good standing would not have a Seller Material Adverse Effect.

Section 2.2 Authority and Enforceability. Subject to the entry of the Sale Order, each Seller has all requisite limited liability company or corporate power and authority, as applicable, to execute and deliver this Agreement and each other Transaction Document to which such Seller is or will be a party, and to consummate the transactions contemplated hereby. Subject to the entry of the Sale Order, this Agreement and each other Transaction Document to which each Seller is a party has been (or, in the case of each Transaction Document to which such Seller will be a party, will be) duly and validly executed and delivered by such Seller and constitutes a valid, legal and binding agreement of such Seller, enforceable against such Seller in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium and similar Laws affecting creditors' rights and remedies generally and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding at Law or in equity).

Section 2.3 Consents and Approvals; No Violations.

(a) Except (i) as set forth in Section 2.3(a) of the Disclosure Schedule, and assuming the accuracy of the representations and warranties set forth in Section 3.3, (ii) as may be necessary as a result of any facts or circumstances relating solely to Buyer or any of its Affiliates and (iii) as may be required pursuant to the Bankruptcy Code, the Bid Procedures Order or the Sale Order, and after taking into account the effect of the Sale Order under the Bankruptcy Code, no material filing with or material notice to, and no material permit, authorization, consent or approval of, or material Order of, any court or tribunal or administrative, governmental or regulatory body or agency (a "Governmental Entity") or any other Person is necessary for the execution and delivery by a Seller of this Agreement or the consummation by a Seller of the transactions contemplated hereby.

(b) Subject to the entry of the Sale Order and any other order(s) necessary to consummate the transactions contemplated by this Agreement, neither the execution, delivery and performance of this Agreement by a Seller nor the consummation by a Seller of the transactions contemplated hereby will (i) conflict with or result in any breach of any provision of the certificate of formation or limited liability company agreement or certificate of incorporation or bylaws (or similar governing documents) of a Seller or any Affiliate thereof, (ii) except as set forth in Section 2.3(b) of the Disclosure Schedule, result in a material violation or material breach of, or cause acceleration, or constitute (with or without due notice or lapse of time or both) a material default (or give rise to any right of termination, modification, cancellation or acceleration) under any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument or obligation to which a Seller or any Affiliate thereof is a party or by which a Seller or any Affiliate thereof or any of a Seller's or any Affiliate of a Seller's properties or assets may be bound, (iii) violate any Order or Law applicable to a Seller or any Affiliate thereof or any of a Seller's or any Affiliate of a Seller's properties or assets, or (iv) result in the creation or imposition of any Lien on any of the Assets, except for Permitted Liens.

Section 2.4 Litigation. Except as set forth in Section 2.4 of the Disclosure Schedule and other than the Chapter 11 Case (provided, that any adversarial proceeding or objection related to, or arising out of, the Chapter 11 Case that is so responsive will be identified on Section 2.4 of the Disclosure Schedule), there is no Legal Proceeding pending or, to the Knowledge of Sellers, material Legal Proceeding threatened against a Seller or any of its Affiliates related to the Business, the Assets or any Store Property. Except as set forth in Section 2.4 of the Disclosure Schedule, there is no Legal Proceeding pending or, to the Knowledge of Sellers, threatened, that challenges the validity or enforceability of any Transaction Document or seeks to enjoin or prohibit consummation of the transactions contemplated thereby. Except as disclosed in Section 2.4 of the Disclosure Schedule and other than in connection with the Chapter 11 Case, no Seller nor any of its Affiliates is subject to any material outstanding Order related to the Business, the Assets or any Store Property.

Section 2.5 Permits; Compliance with Laws.

(a) Each Seller has all material authorizations, approvals, Orders, consents, licenses, certificates, permits, registrations and qualifications (including Liquor Licenses) from each Governmental Entity reasonably necessary to permit the ownership of the Store Properties, the conduct of the Business and the use of the Assets (collectively, the “Permits”), and all such Permits are valid, active and in full force and effect. No event has occurred that, with or without notice or lapse of time or both, would reasonably be expected to result in the revocation, suspension, lapse or limitation of any Permit. Each Seller is in compliance in all material respects with all Permits.

(b) Each Seller is in compliance, in all material respects, with all applicable Laws and Orders which apply to the conduct of the Business and the ownership and use of the Assets.

Section 2.6 Environmental, Health, and Safety Matters.

(a) Except as disclosed in any Environmental Report delivered or made available to Buyer prior to the date hereof or as set forth in Section 2.6(a) of the Disclosure Schedule, to the Knowledge of Sellers, Sellers and each Affiliate thereof is in compliance in all material respects with Environmental, Health, and Safety Requirements (including obtaining all permits and licenses required thereunder) applicable to the Store Properties and the Corporate Headquarters.

(b) Except as disclosed in any Environmental Report delivered or made available to Buyer prior to the date hereof or as set forth in Section 2.6(b) of the Disclosure Schedule, no Seller nor any Affiliate thereof has received any written notice, report or other information regarding any material violation or obligation or liability under Environmental, Health, and Safety Requirements relating to any Store Property or the Corporate Headquarters.

(c) To the Knowledge of Sellers, except as disclosed in any Environmental Report delivered or made available to Buyer prior to the date hereof or as set forth in Section 2.6(c) of the Disclosure Schedule, no Hazardous Substances have been released or are present at or from any Store Property or the Corporate Headquarters in a manner or to a degree that

requires a Seller to report, investigate, assess, remediate or abate them pursuant to applicable Environmental, Health, and Safety Requirements.

(d) To the Knowledge of Sellers, except as disclosed in any Environmental Report delivered or made available to Buyer prior to the date hereof or as set forth in Section 2.6(d) of the Disclosure Schedule, no Store Property contains, or is served by, any underground storage tanks or septic systems.

(e) Sellers have delivered or made available to Buyer true and complete copies of all environmental Phase I reports and other investigations, studies, audits, tests, reviews or other analyses commenced or conducted by or on behalf of Sellers and any environmental insurance policies in relation to the current or prior business of Sellers or any real property presently or formerly owned, leased, or operated by Sellers (or its affiliates or predecessors) that are in the possession, custody or control of Sellers or its Affiliates.

(f) As used herein: (i) “Environmental, Health, and Safety Requirements” shall mean all Laws concerning pollution or protection of human health or the environment, including all those relating to the presence, use, production, generation, handling, transportation, treatment, storage, disposal, distribution, labeling, testing, processing, discharge, release, threatened release, control, or cleanup of any Hazardous Substances, as such requirements are enacted and in effect on or prior to the Closing Date; (ii) “Hazardous Substances” shall mean any hazardous substance, hazardous waste, pollutant or other substance listed or regulated pursuant to any Environmental, Health and Safety Requirement, including petroleum-based compounds and asbestos containing materials, and (iii) “Environmental Report” means any documents, studies or reports listed in Section 2.6(f) of the Disclosure Schedule.

Section 2.7 Brokers. Except as set forth in Section 2.7 of the Disclosure Schedule, no broker, finder or investment banker is entitled to any broker’s, finder’s or investment banker’s fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by and on behalf of such Seller.

Section 2.8 Real and Personal Property.

(a) Leased and Owned Real Properties. Section 2.8(a) of the Disclosure Schedule sets forth each lease, sublease, license or similar occupancy agreement, together with all amendments or supplements thereto, of real property, and current term end dates and number of options remaining (“Leased Real Property”) to which a Seller or any Affiliate thereof is a party as lessee or by which it is bound as lessee, in each case, related to the Store Properties, parking areas or access to the Store Properties (each a “Store Lease,” and collectively the “Store Leases”) or the Corporate Headquarters (the “Corporate Headquarters Lease”). Section 2.8(a) of the Disclosure Schedule sets forth the certain Store Properties in which Seller owns a fee simple interest in the Real Property (“Owned Real Property”). Except as set forth in Section 2.8(a) of the Disclosure Schedule, each Store Lease and the Corporate Headquarters Lease is valid and binding on the applicable Seller and, to the Knowledge of Sellers, on the other parties thereto and is in full force and effect. Except as a result of the filing of the Chapter 11 Case or as set forth in Section 2.8(a) of the Disclosure Schedule, such Seller and, to the Knowledge of Sellers, each of the other parties thereto has performed in all material respects all obligations required to be

performed by it under each Store Lease. To the Knowledge of Sellers, except as a result of the filing of the Chapter 11 Case, there is no circumstance that given notice or passage of time shall become a default under each Store Lease or the Corporate Headquarters Lease. Except as set forth in Section 2.8(a) of the Disclosure Schedule, no Seller nor any Affiliate thereof has received any written notice of existing, pending or threatened (i) condemnation proceedings affecting any Store Property, parking area or access to Store Properties or the Corporate Headquarters or (ii) zoning, building code or other moratorium proceedings which would reasonably be expected to adversely affect the ability to operate the Store Properties or the Corporate Headquarters. Except as set forth in Section 2.8(a) of the Disclosure Schedule, neither the whole nor any material portion of any Store Property, parking area or access to such Store Property or the Corporate Headquarters currently has been damaged or destroyed by fire or other casualty. Except as a result of the filing of the Chapter 11 Case and except as set forth in Section 2.8(a) of the Disclosure Schedule, no Seller is in default or breach in any material respect under any of the Store Leases or the Corporate Headquarters and, to the Knowledge of Sellers, no landlord or other party is in default or breach in any material respect under any Store Lease or the Corporate Headquarters Lease, and no Seller nor any Affiliate thereof has received any written notice of default or termination of any Store Lease or the Corporate Headquarters Lease.

(b) Personal Property. As of the date hereof, such Seller owns or holds under valid leases all material tangible personal property necessary for the conduct of the Business, subject to no lien except for liens identified in Section 2.8(b) of the Disclosure Schedule and (i) liens for Taxes that are not yet due and payable, (ii) statutory liens of landlords, liens of carriers, warehousemen, mechanics and materialmen incurred in the ordinary course of business for sums not yet due, (iii) liens incurred or deposits made in the ordinary course of business in connection with worker's compensation, unemployment insurance and other types of social security, (iv) purchase money liens, (v) minor irregularities of title which do not materially detract from the value or use of such property and (vi) liens to secure obligations to landlords, lessors or renters under leases or rental agreements or underlying leased property ("Permitted Liens").

(c) Equipment. The Equipment constitutes all of the Equipment used or held for use at the Store Properties and are sufficient for Buyer to operate the Store Properties from and after the applicable Closing Date in substantially the same manner as they were operated by Sellers prior to the applicable Closing Date. No Equipment has been removed from the Store Properties except in the ordinary course of business consistent with past practice.

(d) Complete Copies. Sellers have delivered or made available to Buyer a complete copy of each Store Lease, in each case, as amended or otherwise modified and in effect as of the date hereof, to the extent in the actual possession of a Seller or any of its Affiliates.

(e) Inventory. Set forth on Section 2.8(e) of the Disclosure Schedule⁷ is the aggregate value of the Inventory on a Store Property basis as of (i) December 26, 2015 in the case of the Legacy Haggen Properties, and (ii) December 3, 2015 in the case of the Store Properties which are not Legacy Haggen Properties.

⁷ ~~To attach Inventory Valuation file circulated by SRZ on 3.8.16 with the deletion of the Puyallup Store Property.~~

Section 2.9 Taxes.

Sellers have timely filed with the appropriate taxing authorities all Tax Returns with respect to the Assets and the Store Properties required to be filed and all such Tax Returns are true, correct and complete in all material respects. All Taxes owed by a Seller or any Affiliate thereof with respect to the Assets and the Store Properties have been timely paid, and there are no Liens for Taxes on any of the Assets or Store Properties, other than liens for non-delinquent real property Taxes.

Section 2.10 Title to and Sufficiency of Assets.

(a) As of the date of this Agreement, (i) a Seller or an Affiliate thereof is the sole and lawful owner of, and has good title to, or a valid leasehold interest in, all of the Assets, free and clear of all Liens other than the Permitted Liens, and (ii) none of the Assets is in the possession, custody, or control of any Person other than a Seller or an Affiliate thereof.

(b) As of immediately prior to the applicable Closing, (i) Sellers shall be the sole and lawful owner of, and have good title to, or a valid leasehold interest in, and the power to sell, assign or transfer to the Buyer, all of the Assets free and clear of all Liens other than the Permitted Liens, and (ii) subject to the rights of any parties under Assigned Licenses, none of the Assets shall be in the possession, custody, or control of any Person other than Sellers.

(c) The Assets (together with the Excluded Assets) constitute all of the assets used by such Seller in the conduct and operation of the Business.

Section 2.11 Assigned Contracts; Assigned Licenses.

(a) Sellers have delivered or made available to Buyer a complete copy of each Assigned Contract, in each case, as amended or otherwise modified and in effect as of the date hereof. Each Seller has complied with all accrued commitments and obligations pertaining to each Assigned Contract pertaining to the Business, each Assigned Contract is enforceable against such Seller and, except as a result of the filing of the Chapter 11 Case, neither such Seller nor, to the Knowledge of Sellers, any other party thereto is in default or breach in any material respect under the terms of any Assigned Contract.

(b) Sellers have delivered or made available to Buyer a complete copy of each Assigned License, in the actual possession of Sellers. To the Knowledge of Sellers, each Seller has complied with all accrued commitments and obligations pertaining to each Assigned License pertaining to the Business and except as a result of the filing of the Chapter 11 Case, each Assigned License is enforceable against such Seller, neither such Seller nor, to the Knowledge of Sellers, any other party thereto is in default or breach in any material respect under the terms of any Assigned License.

Section 2.12 Related Party Transactions.

Section 2.12 of the Disclosure Schedule sets forth all contracts or arrangements between a Seller, on the one hand, and any Affiliate of such Seller, on the other, related to the Business, the

Assets or any Store Property, which are to be acquired by Buyer pursuant to the terms and conditions of this Agreement.

Section 2.13 Labor and Benefits Matters.

(a) Section 2.13(a) of the Disclosure Schedule sets forth, in all material respects, a complete and accurate list as of the date hereof, of all Store Employees and all employees of Sellers employed at the Corporate Headquarters (each, a “Corporate Employee”), and with respect to each Store Employee and Corporate Employee, such Store Employee’s and Corporate Employee’s name, address, position/employment occupation classification, status as full-time or part-time, date of hire, union affiliation, base compensation, any other regular compensation (such as bonuses or commissions), status as active or on leave (and if on leave, the nature of the leave and the anticipated date of return), status as exempt or non-exempt for purposes of federal and state overtime pay requirements, and, as of ~~[●], 2016,~~ February 27, 2016, in the case of Opco North, and as of March 5, 2016, in the case of Haggen, Inc., accrued but unused sick time, vacation time and paid time off.

(b) Except as set forth in Section 2.13(a) of the Disclosure Schedule, with respect to the employees located at the Store Properties and the Corporate Headquarters, such Seller is in compliance in all material respects with all Laws respecting employment, immigration, employment practices and terms and conditions of employment, including wages and hours and the classification and payment of employees, and has not engaged, and is not, in any material respect, engaging, in any unfair labor practice with respect to any such employees.

(c) Except as set forth in Section 1.1(a)(v) of the Disclosure Schedule, such Seller is not a party to any Labor Agreement. Sellers have delivered or made available to Buyer a complete copy of each Labor Agreement listed on Section 1.1(a)(v) of the Disclosure Schedule, in each case, as amended or otherwise modified and in effect as of the date hereof.

(d) Except as set forth in Section 2.13(d) of the Disclosure Schedule, with respect to the Store Properties or the Corporate Headquarters, there are no (i) pending, or to the Knowledge of Sellers, threatened strikes, walkouts, picketing, slowdowns, lockouts, labor disputes, economic actions, work stoppages, organizing activity, representation efforts, decertification efforts or demands for bargaining or recognition, (ii) pending or, to the Knowledge of Sellers, threatened petitions for election or decertification with the National Labor Relations Board, (iii) pending or, to the Knowledge of Sellers, threatened unfair labor practice charges filed by or against Seller, (iv) pending or, to the Knowledge of Sellers, threatened lawsuits filed by or against a union, (v) pending or, to the Knowledge of Sellers, threatened union grievances or arbitrations or (vi) pending or, to the Knowledge of Sellers, threatened actions, alleging employment of Store Employees or Corporate Employees not authorized to work in the United States or other violations of immigration law requirements.

(e) Except as set forth in Section 2.13(e) of the Disclosure Schedule, neither such Seller nor any Affiliate thereof has taken any action that would constitute a “mass layoff” or “plant closing” within the meaning of the Worker Adjustment and Retraining Notification Act of 1988, as amended, or any similar state, local or foreign plant closing Regulation (“WARN Act Laws”) or that could otherwise trigger notice requirements or Liability under the

WARN Act Laws, in each case, with respect to the Store Properties, the Corporate Headquarters, the Store Employees or the Corporate Employees.

(f) Section 2.13(f) of the Disclosure Schedule sets forth each Multiemployer Plan to which such Seller or any ERISA Affiliate thereof contributes or has an obligation to contribute or in respect of which such Seller or any Affiliate thereof has any actual or contingent liability, in each case with respect to the Store Employees, the Corporate Employees or the Assets.

(g) Other than with respect to the Multiemployer Plans and except as set forth in Section 2.13(g) of the Disclosure Schedule, neither such Seller nor any entity considered to be a single employer with such Seller under ERISA or the Code (an “ERISA Affiliate”) has, within the past six (6) years, sponsored, maintained, contributed or been required to contribute to an employee pension benefit plan subject to Title IV or Section 302 of ERISA or Section 412 of the Code.

Section 2.14 Intellectual Property.

(a) Except as set forth in Section 2.14(a) of the Disclosure Schedule or as would not have or reasonably be expected to have a Seller Material Adverse Effect, Sellers own, free and clear from all Liens other than Permitted Liens, or otherwise possess legally enforceable rights to use all of the Intellectual Property required to conduct the Business.

(b) Section 2.14(b) of the Disclosure Schedule (i) lists all material common law trademarks and service marks and all Intellectual Property owned by Sellers for which a registration or application for registration has been filed with a governmental body, including patents, trademarks, service marks, domain names and copyrights and (ii) specifies, where applicable, the jurisdiction in which each such registration or application has been filed, including the respective registration or application number. All such Intellectual Property is subsisting and is, to the Knowledge of Sellers, valid and enforceable. No such Intellectual Property is subject to any outstanding order, judgment or decree restricting its use or adversely affecting the Sellers’ rights thereto. All necessary registration, maintenance and renewal fees in connection with such Intellectual Property have been paid and all necessary documents and articles in connection with such Intellectual Property have been filed with the relevant patent, copyright, trademark or other authorities in the United States or foreign jurisdiction, as the case may be, for the purpose of maintaining such Intellectual Property as of the date hereof and no such fees or filings are due within ninety days after the date of the applicable Closing.

(c) Except as set forth in Section 2.14(c) of the Disclosure Schedule or as would not have or reasonably be expected to have a Seller Material Adverse Effect, (i) such Seller, in the operation of the Business, does not knowingly infringe, violate or misappropriate the patent of any third party and does not infringe, violate or misappropriate any other Intellectual Property of any third party, and (ii) no such claim for infringement, violation or misappropriation is pending or has been threatened in a written notice delivered to such Seller in the twelve (12) months prior to the date hereof.

(d) To the Knowledge of Sellers, except as set forth in Section 2.14(d) of the Disclosure Schedule or as would not have or reasonably be expected to have a Seller Material

Adverse Effect, no third party is infringing, violating, or misappropriating any Intellectual Property owned by such Seller. Such Seller has not delivered written notice of any such claim for infringement, violation or misappropriation to a third party in the twelve (12) months prior to the date hereof.

(e) Each Seller has taken commercially reasonable steps to maintain the confidentiality of and otherwise protect and enforce its trade secrets and other confidential information.

(f) The IT Systems are adequate in all material respects for their intended use and for the operation of the Store Properties as currently operated, and are in good working condition (normal wear and tear excepted). There has not been any malfunction with respect to any of the IT Systems since January 1, 2015 that has not been remedied or replaced in all material respects. Section 2.14(f) of the Disclosure Schedule lists all material IT Systems and related agreements that are necessary for the operation of the Store Properties and the use of the Corporate Assets.

Section 2.15 Data Security.

Each Seller complies in all material respects with the Payment Card Industry Data Security Standard and all applicable Laws, regulations, contracts and company policies governing the collection, sharing, processing, use, safeguarding and destruction of information regarding individuals related to the Business, the Assets or the Store Properties, and has not received any written notice or claim alleging a misuse, breach or violation of the same. To the Knowledge of Sellers, within the past twelve (12) months there has been no security breach of, unauthorized access to, or unauthorized acquisition of, any information regarding individuals or confidential business information in the possession or under the control of such Seller, or, to the Knowledge of Sellers, maintained by any third party service provider on behalf of such Seller or any Affiliate thereof, in each case, related to the Business, the Assets or the Store Properties. Each Seller has (i) a written information security policy (the “WISP”), (ii) ~~a written business continuity plan, (the “BCP”),~~ (iii) ~~a written vendor management policy (the “VMP”),~~ (iv) a written incident response plan (“IRP”), and (v) ~~iii~~ a published privacy policy (the “Privacy Policy” and together with the WISP, ~~the BCP, the VMP~~ and the IRP, the “Data Security Policies”) (such Privacy Policy governing the collection and use of “nonpublic personal information” (as defined in the Privacy Policy) (“Customer Information”), that discloses the manner by which it collects, uses and transfers Customer Information). Each Seller has provided a copy of its Data Security Policies to the Buyer. Except as set forth on Section 2.15 of the Disclosure Schedule, no Seller has collected, received, used or released (or allowed the release of) any data other than in the ordinary course of business consistent with the Data Security Policies, and no Seller has violated any of its Data Security Policies.

Section 2.16 No Other Representations and Warranties.

Except for the representations and warranties contained in this ARTICLE 2 (including the related portions of the Disclosure Schedule) and the Sellers’ Closing Certificate, no Seller nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of a Seller, including any representation or warranty as to the accuracy or completeness of any information regarding the Business and the Assets furnished or

made available to Buyer and its representatives (including any information, documents or material made available to Buyer in any electronic data room, management presentations or in any other form in expectation of the transactions contemplated hereby) or as to the future revenue, profitability or success of the Business or the ownership of the Assets, or any representation or warranty arising from statute or otherwise in Law. Notwithstanding the foregoing, this Section 2.16 shall be subject to the provisions of Section 7.9(h).

ARTICLE 3 REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer hereby represents and warrants to the Sellers as follows:

Section 3.1 Organization. Buyer is a limited liability company duly organized, validly existing and in good standing under the laws of the jurisdiction of its formation and has all requisite power and authority to carry on its businesses as now being conducted, except where the failure to have such power or authority would not be reasonably expected to prevent or materially delay the consummation of the transactions contemplated hereby.

Section 3.2 Authority. Buyer has all necessary power and authority to execute and deliver this Agreement and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized by all necessary action on the part of Buyer and no other proceeding (including by its direct or indirect equityholders) on the part of Buyer is necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Buyer and constitutes a valid, legal and binding agreement of Buyer, enforceable against Buyer in accordance with its terms assuming the due authorization, execution and delivery by the other Parties, except (i) to the extent that enforceability may be limited by applicable bankruptcy, insolvency, reorganization or other Laws affecting the enforcement of creditors' rights generally, and (ii) that the availability of equitable remedies, including specific performance, is subject to the discretion of the court before which any proceeding thereof may be brought.

Section 3.3 Consents and Approvals; No Violations. No material filing with or material notice to, and no material permit, authorization, consent or approval of, or material Order of, any Governmental Entity is necessary for the execution and delivery by Buyer of this Agreement or the consummation by Buyer of the transactions contemplated hereby, except where the failure to obtain such permits, authorizations, consents or approvals or to make such filings or give such notice would not, individually or in the aggregate, be reasonably expected to prevent or materially delay the consummation of the transactions contemplated hereby. Neither the execution, delivery and performance of this Agreement by Buyer nor the consummation by Buyer of the transactions contemplated hereby will (a) conflict with or result in any breach of any provision of the certificate or articles of incorporation or bylaws (or similar governing documents) of Buyer, (b) result in a material violation or material breach of, or constitute (with or without due notice or lapse of time or both) a material default (or give rise to any right of termination, cancellation or acceleration) under, any of the terms, conditions or provisions of any note, bond, mortgage, indenture, lease, license, contract, agreement or other instrument or obligation to which Buyer is a party or by which Buyer or any of its properties or assets may be

bound or (c) violate any Law or Order applicable to Buyer or any of Buyer's Affiliates or any of their respective properties or assets.

Section 3.4 Brokers. No broker, finder or investment banker is entitled to any brokerage, finder's or investment banker's fee or commission in connection with the transactions contemplated by this Agreement based upon arrangements made by and on behalf of Buyer or any of its Affiliates.

Section 3.5 Litigation. Buyer is not a party to any litigation or threatened litigation which would reasonably be expected to affect or prohibit the consummation of the transactions contemplated hereby or the timing thereof.

Section 3.6 Sufficiency of Funds. Buyer has and will have at Closing sufficient cash on hand or other sources of immediately available funds to enable it to pay the Purchase Price and consummate the transactions contemplated by this Agreement.

Section 3.7 Solvency. Assuming the (i) accuracy in all material respects of the representations and warranties of Sellers set forth in the Transaction Documents (without giving effect to any "materiality," "Seller Material Adverse Effect," "Knowledge" or "knowledge" qualifiers included therein) and (ii) performance in all material respects by Sellers of their obligations under the Transaction Documents, immediately after giving effect to the transactions contemplated by this Agreement and the other Transaction Documents, Buyer shall be solvent and shall: (a) be able to pay its debts as they become due; (b) own property that has a fair saleable value greater than the amounts required to pay its debts (including a reasonable estimate of the amount of all contingent liabilities); and (c) have adequate capital to carry on its business. No transfer of property is being made and no obligation is being incurred in connection with the transactions contemplated hereby with the intent to hinder, delay or defraud either present or future creditors of Buyer or Sellers. In connection with the transactions contemplated hereby, Buyer has not incurred, nor plans to incur, debts beyond its ability to pay as they become absolute and matured.

Section 3.8 Acknowledgement by Buyer; No Other Representations and Warranties. Buyer acknowledges and agrees that it has conducted its own independent review and analysis of the business, assets, condition and operations of Sellers and the Store Properties. Except for the representations and warranties contained in this ARTICLE 3 and the Buyer's Closing Certificate, neither Buyer nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of Buyer.

ARTICLE 4 COVENANTS

Section 4.1 Transfer Taxes.

All transfer, sales and use, value added, registration, documentary, stamp and similar Taxes (including any penalties, interest, additions to Tax and costs and expenses relating to such Taxes, but excluding any transfer gains Taxes), whether for real or personal property, imposed in connection with the sale of the Assets or any other transaction that occurs pursuant to this

Agreement shall be borne by Buyer as to 50% and Sellers as to 50%. Buyer and Sellers will cooperate with each other in the preparation and filing of any Tax Returns or other filings with respect thereto and shall provide each other with any applicable exemption certificates.

Section 4.2 Further Assurances. If any further action is necessary or desirable to carry out the purposes of this Agreement, each of the Parties will take such further action (including the execution and delivery of such further instruments and documents) as any other Party reasonably may request.

Section 4.3 Preservation of Records; Cooperation.

(a) For a period the greater of: (i) three (3) years after the Closing Date, or (ii) the period the Buyer is required by Law to retain such records, Buyer shall preserve and retain, in a manner consistent with its document retention and destruction policies, as in effect from time to time, all accounting~~and~~, auditing and employee books and records included in the Assets (and any material documents relating to any material governmental or non-governmental proceeding) relating to the conduct of the Business and operations of the Store Properties prior to the Closing Date.

(b) For a period the greater of: (i) three (3) years after the Closing Date, or (ii) the period the Buyer is required by Law to retain such records, Buyer shall provide Sellers with reasonable access, at reasonable times during regular business hours and upon reasonable advance written notice, to the materials referenced in Section 4.3(a) in connection with the administration of the Chapter 11 Case, any Tax audit, other government inquiry or investigation, or request, claim or demand by or against a third party (but excluding in connection with any claim or dispute between the Parties), in each case, subject to the imposition of customary confidentiality and attorney client privilege protections and in compliance with applicable Law. Each Party agrees to cooperate with the other Party, and to cause its Affiliates and successors to do so, in the preparation for and prosecution of the defense of any Legal Proceeding arising out of or relating to any Store Property related to facts or circumstances that arose prior to the Closing. Such cooperation shall include providing access to the books and records of the cooperating party relating to any such Legal Proceeding and making available evidence within the cooperating party's control and persons needed as witnesses employed by the cooperating party, as reasonably needed for such defense and at reasonable times and upon reasonable advance written notice. The requesting party shall reimburse the cooperating party for its actual out-of-pocket costs relating to its cooperation under this Section 4.3(b).

Section 4.4 Public Announcements; Confidentiality.

(a) No Party shall issue any press release or make any public announcement relating to the existence or subject matter of this Agreement without the prior written approval of the other Parties, such approval not to be unreasonably withheld, conditioned or delayed, unless a press release or public announcement is required by applicable Law, rule or requirement of the Securities and Exchange Commission or securities exchange or an Order of the Bankruptcy Court or, in the case of Buyer, is otherwise consistent with the Confidentiality Agreement (as defined herein). The Parties acknowledge that Sellers shall file this Agreement with the Bankruptcy Court in connection with obtaining the Sale Order and shall make any applicable

disclosures regarding this Agreement (i) to the Bankruptcy Court and (ii) as contemplated by the Bid Procedures Order. The Parties acknowledge that Albertson's Companies, Inc. may disclose the existence of this Agreement and the terms of the transactions contemplated hereby on Form S-1 filed with the Securities and Exchange Commission.

(b) Buyer acknowledges and agrees that the letter agreement, dated September 30, 2015, by and between Albertson's LLC and Comvest Investment Partners Holdings, LLC (as amended from time to time, the "Confidentiality Agreement"), remains in full force and effect and, in addition, covenants and agrees to keep confidential, in accordance with the provisions of such Confidentiality Agreement, information provided to Buyer pursuant to this Agreement. If this Agreement is, for any reason, terminated prior to the Closing, the Confidentiality Agreement and the provisions of this Section 4.4(b) shall nonetheless continue in full force and effect.

Section 4.5 Store Employees.

(a) Not more than six (6) days, nor less than three (3) days, prior to the applicable Effective Time, Sellers shall provide Buyer with a written schedule, true and complete as of the date provided, containing the information required to be disclosed on Section 2.13(a) of the Disclosure Schedule with respect to the applicable Store Properties and Corporate Employees. Sellers shall terminate the employment of all employees performing services or otherwise located at the Store Properties ("Store Employees") and Corporate Employees as of the applicable Effective Time and, with respect to those Store Employees and Corporate Employees who are offered employment pursuant to Section 4.5(b) and are hired by Buyer, release such employees from any restrictive covenants imposed by any Seller or its Affiliates resulting from their employment with Sellers.

(b) Effective on the applicable Closing Date, Buyer shall extend offers of employment to (i) all of the Store Employees covered by Labor Agreements and provide such Store Employees with compensation and benefits required by the applicable Labor Agreements as such Labor Agreements may be modified by Buyer and the applicable unions and (ii) subject to Buyer's right to conduct interviews, background checks and drug tests on Store Employees not covered by Labor Agreements and Corporate Employees, (x) substantially all of the Store Employees not covered by Labor Agreements and (y) Corporate Employees identified by Buyer to Sellers in writing prior to the Initial Closing ("Identified Corporate Employees") and provide such Store Employees not covered by Labor Agreements and Identified Corporate Employees who accept such employment offers with Buyer (the Store Employees and Identified Corporate Employees who accept such employment and commence employment on the applicable Closing Date, the "Transferred Employees") at the applicable Effective Time with (A) a base salary or an hourly wage rate, as applicable, that is no lower than the base salary or hourly wage rate provided to such Transferred Employee immediately prior to the applicable Closing Date and (B) substantially comparable employee benefits, including health, welfare and severance benefits but excluding equity compensation, defined pension benefits and retiree medical benefits, that are no less favorable, in the aggregate, considering all benefit plans taken as a whole, and not with reference to any individual employee, than those provided to such Transferred Employees under Benefit Arrangements immediately prior to the applicable Closing Date.

(c) Buyer covenants that it will offer employment to a sufficient number of Store Employees at each Store Property so that WARN Act Laws will not be triggered solely as a result of the applicable Closing with respect to such Store Property and the terminations required by Section 4.5(a). Buyer hereby assumes all obligations with respect to Transferred Employees, if any, under the WARN Act Laws, which obligations arise after the applicable Closing; and Buyer hereby covenants and agrees to indemnify, defend and hold harmless the Seller Indemnified Parties, from and against all Losses sustained or incurred as a result of any violation of the WARN Act Laws by Buyer or its Affiliates that occurs after the applicable Effective Time with respect to the Transferred Employees (“Post-Closing WARN Liabilities”). Without limiting the generality of Section 1.1(d), Sellers shall retain all obligations under the WARN Act Laws with respect to the Store Employees through and including the applicable Closing, including those obligations arising in connection with the transactions contemplated hereby.

(d) With respect to Transferred Employees, Buyer shall carry over any fringe benefit eligibility, length of service and similar items accrued by Transferred Employees during the term of their employment with Sellers and shall afford leave entitlements required by applicable Laws to the Transferred Employees as though they were continuously employed from Sellers to Buyer, counting service with Sellers for determining the Transferred Employees’ eligibility for leave and reinstatement after the sale. Except as required under the terms of a Labor Agreement, Buyer shall not be required to credit any Transferred Employee for service with Sellers or any of their Affiliates for purposes of determining the amount or level of any pension benefit under any employee pension benefit plan within the meaning of Section 3(2) of ERISA. With respect to each Transferred Employee, Buyer shall cause: (i) to be waived any waiting periods to participate in any welfare benefit plan of Buyer, (ii) to be waived any pre-existing condition exclusions and actively-at-work requirements and (iii) any co-payments, deductibles and other eligible expenses incurred by such Transferred Employees and/or his or her covered dependents during the applicable plan year to be credited for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Transferred Employee and his or her covered dependents for the applicable plan year of each comparable employee benefit plan of Buyer. Buyer shall carry over and assume all Liabilities with respect to the payment of accrued or earned sick leave, vacation, paid time-off and personal holidays (but not other holiday pay), due to Transferred Employees through the Closing (and severance pay with respect to Identified Corporate Employees (collectively, “Assumed Employee Liabilities”)).

(e) It is expressly agreed and understood that neither Buyer, on the one hand, nor any Seller, on the other hand, has any right, power or authority to control, direct or regulate the labor relations and human resources policies and procedures of the other, that neither is deemed to constitute the agent or representative of the other, and that neither is liable in any manner whatsoever for the acts or omissions of the other, its agents, representatives or employees.

(f) At all times prior to the applicable Closing Date, Sellers shall have sole and exclusive responsibility for the operation and management with respect to each such Store Property, Corporate Headquarters and the Assets related thereto, for the employment and control of the Store Employees at such Store Property and the Corporate Employees, for compliance with all Laws governing the employment relationship, and for compliance with the terms of any Labor Agreements, employment contracts or Benefit Arrangements covering the Store Employees at such Store Property, the Corporate Employees or any former employees of any Seller. At all

times subsequent to the applicable Closing Date with respect to a Store Property and the Corporate Headquarters, Buyer shall have sole and exclusive responsibility for the operation and management of such Store Property, Corporate Headquarters and the Assets related thereto, for the employment and control of its employees, for compliance with all Laws governing the employment relationship, and for compliance with the terms of any Labor Agreements to which Buyer is obligated, employment contract to which Buyer enters into (for the avoidance of doubt, it is agreed that Buyer is not assuming any employment contracts between any Seller and any Transferred Employee) or employee benefit plan covering its employees. Each Party shall comply with its respective legal responsibilities under the National Labor Relations Act and federal, state and local employment Laws, with respect to Store Employees and the Corporate Employees at all times pre- and post-closing, as applicable.

(g) Nothing in this Section 4.5, express or implied, (i) shall confer any rights or remedies upon any employee, director or consultant (current or former) of any Seller or any Affiliate thereof or their dependents or representatives and no such Person, other than the Parties, shall be a direct or intended beneficiary under this Section 4.5 or any other provision of this Agreement; (ii) shall prohibit the Sellers or Buyer from amending, modifying or terminating any Benefit Arrangement or other employee benefit plan pursuant to, and in accordance with, the terms thereof, or (iii) is intended or shall be construed to constitute an amendment of any Benefit Arrangement or other employee benefit plan (or an undertaking to amend any such plan) or of any employment agreement, employee benefit plan or other compensation and benefits plans maintained for or provided to Transferred Employees prior to or following the applicable Effective Time.

(h) Within ten (10) days after the applicable Closing with respect to a Store Property or the Corporate Headquarters, Buyer shall provide Sellers with a list of all of each Seller's employees who have accepted Buyer's employment offers.

(i) Certain Sellers have obligations pursuant to certain Labor Agreements to contribute to the Multiemployer Plans that are subject to Section 4201 of ERISA for bargaining-unit employees at certain of the Store Properties. With respect to each Multiemployer Plan, the Parties hereby declare their mutual intention to satisfy the requirements of Section 4204(a) of ERISA and that this Section 4.5(i) and Section 4.5(j) will be construed so as to accomplish this desired result. The Parties intend that the provisions set forth in this Section 4.5(i) and Section 4.5(j) shall bring about compliance with Section 4204 of ERISA and avoid the consequences that consummation of the transaction contemplated by this Agreement will cause a complete or partial withdrawal of any Seller from any Multiemployer Plan.

(j) Notwithstanding Section 4.5(b), as of each applicable Closing Date, Buyer hereby covenants and agrees: (A) to offer to hire all the bargaining-unit employees at the applicable Store Properties covered by the Labor Agreements which contain an obligation to contribute to a Multiemployer Plan and (B) assume the Labor ~~Agreement's~~ Agreements' obligation to contribute to the applicable Multiemployer Plan so that Buyer has an obligation to contribute for substantially the same number of contribution base units (as defined in Section 4001(a)(11) of ERISA) for which Sellers had an obligation to contribute to the Multiemployer Plans with respect to the applicable Store Properties prior to such applicable Closing. Absent a waiver or variance by a Multiemployer Plan or the Pension Benefit Guaranty Corporation, Buyer

shall provide (at its own expense) to the Multiemployer Plans, for the first five (5) consecutive plan years commencing with the first plan year beginning after the Initial Closing (or such other period as required under ERISA), a bond issued by a corporate surety company that is an acceptable surety for purposes of Section 412 of ERISA, or an amount held in escrow by a bank or a similar financial institution or such other equivalent form of security permitted for this purpose, in the amount required by Section 4204(a)(1)(B) of ERISA, which bond, escrow or security shall be paid to a Multiemployer Plan if the Buyer withdraws from such Multiemployer Plan, or fails to make a contribution to such Multiemployer Plan when due, at any time during the first five (5) plan years of the Multiemployer Plan beginning after the applicable Closing. If Buyer withdraws, in either a complete withdrawal or a partial withdrawal with respect to the Store Properties, from any Multiemployer Plan prior to the end of the fifth plan year commencing immediately after the applicable Closing and does not pay any part of any withdrawal liability by reason of such withdrawal, each applicable Seller will be secondarily liable to the Multiemployer Plan for any withdrawal liability it would have had to the Multiemployer Plan with respect to the Store Properties but for this Section 4.5(j) and Section 4.5(i) and Section 4204 of ERISA. If Section 4204(a)(3) of ERISA is applicable to Sellers, then absent a waiver or variance by a Multiemployer Plan, Buyer, on behalf of Sellers, shall provide (at Buyer's own expense) to the Multiemployer Plans, for the first five (5) consecutive plan years commencing with the first plan year beginning after the applicable Closing, a bond or an amount held in escrow in the amount required by Section 4204(a)(3) of ERISA. The Parties agree that Buyer, on behalf of itself and Sellers, will seek a waiver or variance of both the purchaser and seller bond, escrow or letter of credit obligations of Sections 4204(a)(1)(B) and 4201(a)(3) of ERISA, and Sellers hereby consents to any such request and shall cooperate to obtain such waivers or variances. Either Buyer or Sellers shall promptly notify the other Party of any demand for payment of withdrawal liability received by Buyer or Sellers from any Multiemployer Plan.

(k) Notwithstanding Section 4.5(i) and Section 4.5(j), with respect to the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union and its locals (collectively, the "Bakery Union") and the Bakery and Confectionery Union and Industry International Pension Fund (the "Bakery Fund"), Buyer has the option to either proceed with Sections 4.5(i) and Section 4.5(j) and a transaction pursuant to Section 4204 of ERISA, or proceed as follows: Buyer hereby covenants and agrees: (A) to offer to hire all the bargaining-unit employees at the applicable Store Properties covered by the Labor Agreements which contain an obligation to contribute to the Bakery Fund, (B) to assume the applicable Labor Agreements with the Bakery Union provided that the Bakery Union has agreed to modify such Labor Agreements, including by providing for a defined contribution plan in lieu of an obligation for Buyer to contribute to the Bakery Fund, and (C) to pay the withdrawal liability Sellers owe to the Bakery Fund with respect to the Store Employees.

(l) ~~[Transition Services Arrangements.]~~^{*} From and after the Initial Closing until the final Closing, Buyer will use commercially reasonable efforts to provide, or cause to be provided, to Sellers with respect to only the Store Properties not yet sold to Buyer ("Unsold Stores"), those services provided by the Identified Corporate Employees who are Transferred Employees (the "Transferred Corporate Employees") immediately prior to the Initial Closing at support levels then currently being provided by such Transferred Corporate Employees. For the

^{*} ~~ABS and Haggren are discussing transition services arrangements for the operation of the legacy Albertson's stores by Haggren after the initial Closing.~~

avoidance of doubt, in no event will any such services be provided with respect to an Unsold Store after such Unsold Store is sold to Buyer, and no services shall be provided after the final Closing Date. By way of example, such service categories shall include HR, Finance, IT, Merchandising, Distribution Logistics and Payroll. Under no circumstances shall such services include tax filing preparation, legal services, providing supply, store-level management functions or any service that is prohibited by regulation or law for Buyer to perform. Sellers acknowledge that Buyer is providing such services as an accommodation to Sellers, and that Buyer shall have no liability for the services provided nor for financial performance of any Unsold Store receiving such services. The Parties acknowledge the short duration of the provision of services and that they have not attempted to anticipate every circumstance that could necessitate a service or a varying service level; the Parties will work in good faith to resolve issues that may arise. As consideration for any and all such services, Sellers shall pay to Buyer an amount equal to the costs incurred by Buyer in providing such services, including all third-party costs and employee costs ("Service Fees"); provided, however, that the employee costs with respect to any Transferred Corporate Employee included within the Service Fees shall not, for any period, exceed a pro rata portion (based on the proportion during such period of Unsold Stores to total Store Properties) of the total employee costs for such Transferred Corporate Employee during such period. The Service Fees shall be invoiced in written form (which shall set forth in reasonable detail the amounts payable) at the final Closing and shall be paid via an offset to the Purchase Price payable at the final Closing.

Section 4.6 Operation of Business; Access.

(a) Except as set forth in Section 4.6 of the Disclosure Schedule, as required or contemplated by this Agreement, as consented to by Buyer in its reasonable discretion or as required by applicable Law or as required or permitted by an Order of the Bankruptcy Court, during the period from the date of this Agreement to the applicable Closing with respect to each Store Property, Sellers shall, and shall cause their respective Affiliates to, as applicable:

- (i) conduct operations of the Business in the ordinary course of business in all material respects;
- (ii) maintain operations, customary hours of operation and departments;
- (iii) exercise good faith in pricing merchandise, including not to increase such prices other than in the Sellers' ordinary course of business and consistent with Sellers' normal pricing strategy;
- (iv) maintain customary overall levels of Inventory located at the Store Properties;
- (v) perform customary repairs and maintenance on such Store Properties and Equipment substantially in accordance with the Sellers' past practices as a going concern;

(vi) [use commercially reasonable efforts to](#) maintain qualified and experienced managers and workforce for each of the Store Properties through the Closing, except as otherwise required or contemplated in this Agreement;

(vii) not make any ~~material~~ changes to the Corporate Employee workforce or materially modify any compensation or benefits or the at-will nature of Corporate Employees;

(viii) not display any signs or conduct any advertising (including direct mailing, point-of-purchase coupons, etc.) that indicates any Seller is moving its operations at a Store Property to another location or that a Store Property will close or is being sold;

(ix) not conduct any “going out of business”, “close-out”, liquidation or similar sales promotions at or relating to any Store Property;

(x) not change or modify in any material respect the existing advertising practices, programs and policies for any Store Property, other than changes in the ordinary course of business consistent with past practice;

(xi) use commercially reasonable efforts to preserve, in all material respects, its relationships with its customers, suppliers and employees;

(xii) [subject to the provisions of Section 1.7 hereof](#), maintain the condition of the Assets (including Equipment) in working condition, subject to ordinary wear and tear;

(xiii) not intentionally take any action that would reasonably be expected to result in any of the conditions set forth in [ARTICLE 5](#) not being satisfied;

(xiv) not transfer or remove any asset that would be included within the Assets (including Equipment) at Closing from any Store Property other than transfers of cash and cash equivalents in compliance with [Section 4.6\(e\)](#) and ordinary course sales of inventory;

(xv) not sell, assign, transfer, grant any security interest in or otherwise encumber or dispose of any Intellectual Property included in the Assets;

(xvi) not grant any license to any Intellectual Property included in the Assets other than in the ordinary course of business consistent with past practice;

(xvii) not abandon, allow to lapse, disclaim or dedicate to the public, or fail to make any filing, pay any fee, or take any other action necessary to prosecute and maintain in full force and effect, or to maintain the ownership, validity and enforceability of any material Intellectual Property registrations included in the Assets;

(xviii) fail to make or maintain reasonable measures to protect the confidentiality and value of any trade secrets or other nonpublic Intellectual Property included in the Assets; or

(xix) not enter into any amendment to, or otherwise modify or cause the termination or lapse of, any of the Store Leases, Assigned License or Assigned Contracts.

Notwithstanding anything to the contrary set forth in this Agreement, nothing herein shall restrict Sellers' ability to sell, liquidate, move, transfer, assign, reject or take any other action with respect to Excluded Assets.

(b) During the period commencing on the date hereof and ending on the applicable Closing Date, Sellers will, and will cause their officers, employees and auditors to, provide Buyer, its financing sources and their respective accountants, counsel and other authorized representatives reasonable access, not to be unreasonably conditioned or delayed, during normal business hours, under reasonable circumstances and otherwise in accordance with the terms of the Store Leases, to the Assets, premises, officers, employees, landlords, properties, contracts, books and records related to the Store Properties and Store Employees, and shall cause the officers of Sellers to otherwise reasonably cooperate with the conduct of due diligence by Buyer and Buyer's representatives.

(c) From and after the Initial Closing until the final Closing, Buyer will grant to Sellers a limited, non-exclusive, non-transferable, royalty-free, fully-paid license to use the Intellectual Property included in the Assets, including but not limited to the name and mark "Haggen," solely in connection with its then existing operations. From and after the final Closing, each Seller and their respective Affiliates shall cease using all of the Intellectual Property included in the Assets (or any confusingly similar trademark) in connection with the operation of their respective businesses and within 60 days after the final Closing Date, Sellers shall file with the relevant Governmental Entity the necessary or required documents in order to amend or terminate any registration or certificate of assumed name, fictitious name, d/b/a filings, or other filings containing the name "Haggen" or otherwise to change any corporate names, and to eliminate the term "Haggen" therefrom.

(d) From and after the date of this Agreement until the Closing of a Store Property, Sellers shall provide to Buyer on a weekly basis, and no later than two (2) Business Days after the week then ended, data regarding gross sales at such Store Property, together with such supporting documentation as Buyer may reasonably request.

(e) Sellers shall use commercially reasonable efforts to ensure that not less than Fifteen Thousand Dollars (\$15,000) in Closing Cash shall be at each Store Property as of the applicable Effective Time.

(f) Buyer and Sellers shall review and negotiate in good faith the potential acquisition by Buyer of assets related to Sellers' liquor distribution business (the "Liquor Distribution Business"), including, without limitation, the assumption of the real property leases for properties located at 3800 First Avenue South, Seattle, WA and 5917 195th Street NE, Arlington, WA, the acquisition of inventory located therein and transportation and supply

management assets related to the Liquor Distribution Business. Any agreement regarding the acquisition by Buyer of the Liquor Distribution Business shall be finalized by March 31, 2016, it being understood and agreed that in no event shall there be any adjustment to the Purchase Price as a result of an agreement by Buyer to acquire the Liquor Distribution Business (other than to reflect the acquisition of inventory at cost) or as a result of Buyer electing not to acquire the Liquor Distribution Business.

Section 4.7 Reasonable Efforts; Further Assurances; Cooperation.

(a) Subject to the other provisions hereof, each Party shall use its commercially reasonable efforts to perform its obligations hereunder and to take, or cause to be taken, and do, or cause to be done, all things necessary, proper or advisable under applicable Law to obtain all regulatory approvals required to consummate the transactions contemplated by this Agreement and to satisfy all conditions to its obligations hereunder and to cause the Closings to be effected as soon as practicable, but in any event on or prior to the Expiration Date, in accordance with the terms hereof, and shall cooperate fully with each other Party and its officers, directors, managers, employees, agents, counsel, accountants and other designees in connection with any step required to be taken as a part of its obligations hereunder, including the following:

(i) From and after the date hereof, Sellers shall provide Buyer (A) with copies of all motions or pleadings relating to this Agreement, the Sale Order, or the transactions contemplated under any of the foregoing not less than two (2) Business Days prior to the intended date of filing and (B) with prompt notice of any objections raised by any party in interest with respect to this Agreement, the Sale Order or the transactions contemplated by any of the foregoing.

(ii) Each Party shall promptly and diligently make all filings and submissions and shall use commercially reasonable efforts to take all other actions necessary, proper or advisable under applicable Laws, to obtain any required approvals of any Governmental Entities with jurisdiction over the transactions contemplated hereby required to consummate the transactions contemplated by this Agreement. Each Party shall use commercially reasonable efforts to furnish all information required for any application or other filing to be made pursuant to any applicable Law in connection with the transactions contemplated hereby. Each of the Parties shall cooperate with the others in promptly filing any other necessary applications, reports or other documents with any Governmental Entity having jurisdiction with respect to this Agreement and the transactions contemplated hereby, and in seeking necessary consultation with and prompt favorable action by such Governmental Entity.

(iii) Sellers shall use commercially reasonable efforts to give all notices to, and obtain ~~and pay for~~ all consents from all third parties that are described in Section 2.3(b) of the Disclosure Schedules.^a Buyer shall provide to any landlord under a Store Lease, within two (2) Business Days after such landlord's request therefor, copies of financial statements, organizational charts and any other information reasonably requested by any landlord of a Store Lease and which such landlord has the right to

^a ~~Schedule to include consent of Starbucks corporation to transfer equipment.~~

request from a potential assignee under the terms of such Store Lease in connection with Seller's request for any consent with respect thereto.

(iv) In the event any Legal Proceeding by any Governmental Entity or other Person is commenced that questions the validity or legality of the transactions contemplated hereby or seeks damages in connection therewith, the Parties shall (A) cooperate reasonably and use all commercially reasonable efforts to defend against such Legal Proceeding, (B) in the event an injunction or other Order is issued in any such Legal Proceeding, use commercially reasonable efforts to have such injunction or other Order lifted, and (C) cooperate reasonably regarding any other impediment to the consummation of the transactions contemplated hereby.

(b) Buyer shall use its commercially reasonable efforts to obtain, as soon as reasonably practicable after the date hereof, all Permits required to be obtained by it in order to own the Assets and operate the Store Properties, including the pharmacies located therein, and Sellers shall cooperate with Buyer in connection with Buyer's efforts to obtain any Permits required to be obtained by it for Buyer's ownership and operation of the Store Properties and shall cooperate with Buyer to secure from the applicable Governmental Entity consent to the issuance of any necessary temporary or provisional Permits (including liquor or similar licenses) required for Buyer's operation of the Store Properties following the applicable Closing. To the extent new Permits are not required or the existing Permits do not require consent, approval or notice to the applicable Governmental Entity prior to the applicable Closing, Buyer shall use its commercially reasonable efforts to update ownership, contact and other information, as necessary, or advisable, with the applicable Governmental Entity as soon as reasonably practicable after the applicable Closing. The Parties shall cooperate and each of them shall comply with and carry out any and all commercially reasonable requirements, demands, requests, rules, and regulations of the local issuing authority, so as to expedite the approval of the issuance of such Permits prior to the applicable Closing or submission of updated information after the applicable Closing. In connection with the foregoing, each Seller shall, and shall cause each of its Affiliates and representatives to, use its commercially reasonable efforts to provide to Buyer, at Buyer's cost and expense, all cooperation reasonably requested by Buyer in connection with Buyer obtaining all Permits required for Buyer's ownership and operation of the Store Properties and the Assets, including promptly providing all documentation and information in the possession of such Seller as may be reasonably requested by Buyer and/or any Governmental Entity in connection therewith. With respect to any liquor (or similar) license or liquor or other alcoholic beverage inventory conveyed hereunder, Buyer shall comply with all applicable Laws. For avoidance of doubt, except as set forth in Section 5.2(d), it shall not be a condition precedent to Buyer's obligations under this Agreement that the issuance of any such Permits be accomplished. If a Permit required to operate a pharmacy at a particular Store Property is not issued to Buyer prior to the applicable Closing, Sellers shall, if legally permissible, grant Buyer the right to use Sellers' Permit in that Store until the earlier of (x) the issuance to Buyer of a Permit by the applicable Governmental Authority and (y) the sixtieth (60th) day following the applicable Closing. The Parties will cooperate to comply with all applicable Laws so that Buyer may operate the Business in the ordinary course of business until all of the Permits requested by Buyer can be transferred. To the extent permitted by applicable Law, each Seller shall, consistent with applicable Law, execute a power of attorney or such other document as may be necessary to authorize Buyer to operate using such Seller's Permits and to execute and file, at Buyer's sole

cost and expense, any documents or instruments (including fictitious name consents, which shall be withdrawn as soon as Buyer obtains its own Permits), required in order to permit Buyer to lawfully operate under such Seller's Permits in accordance with the foregoing. Buyer shall indemnify and hold Sellers harmless for any Liability arising out of, related to, or resulting from any of the foregoing, including the granting of a power of attorney or other authorization, other than to the extent arising out of Sellers' fraud or willful misconduct.

(c) Buyer and Sellers shall cooperate in performing the procedures required by Law in connection with the sale of a licensed pharmacy and the transfer of custody and control over controlled substances. The inventory of the (i) special class of Pharmacy Asset which is required to be counted pursuant to the DEA controlled substance order form (i.e. DEA form 222) and (ii) pharmacy inventory which is required to be counted pursuant to the requirements of any other applicable Laws, in each case, shall occur at the close of business on the last day of Sellers' operation of each pharmacy prior to the applicable Closing and shall otherwise be counted in accordance with applicable Laws. The Buyer shall maintain on the premises, in accordance with applicable Law, documentation of the inventory taken as of the close of business in accordance with this Section 4.7(c).

(d) Prior to each Closing, upon discovery, Sellers shall promptly notify Buyer if Sellers obtain knowledge that the representations and warranties of Sellers in this Agreement are not true and correct in all material respects, or if Sellers obtain knowledge of any material errors in, or omissions from, the Disclosure Schedules. The delivery of any notice pursuant to this Section 4.7(d) shall not cure any breach of any representation or warranty requiring disclosure of such matter or any breach of any covenant or agreement contained in this Agreement or any of the other Transaction Documents or otherwise limit or affect the rights of, or remedies available to, Buyer under this Agreement. For the avoidance of doubt, the closing conditions set forth in Section 5.1(a) and the termination provisions or ARTICLE 6 shall be read without giving effect to any notification delivered pursuant to this Section 4.7(d).

(e) ~~Sellers shall cooperate with Buyer~~ Buyer may seek to obtain Subordination, Non-Disturbance, and Attornment Agreements (or similar agreements), executed by the applicable Seller or landlord or master landlord under the applicable Store Lease, and Seller's or landlord's or master landlord's lender, as applicable, at the Store Properties identified by Buyer to Sellers from time to time after the date of this Agreement. Prior to the applicable Closing Date, Sellers shall reasonably cooperate with Buyer in connection with Buyer's efforts to obtain any such agreements.

Section 4.8 Delivery of Possession.

At each applicable Closing, Sellers shall deliver to Buyer possession of the Store Properties and all Excluded Assets shall have been removed by Sellers from each of the Store Properties and the Assets. At each applicable Closing, Sellers shall deliver to Buyer's designated representative the keys and access and security codes to the Store Properties and the combinations to all safes at the Store Properties and Buyer shall immediately make arrangements to have such locks and codes changed.

Section 4.9 Bulk Sales Laws.

The Parties hereby waive compliance with the provisions of any bulk sales, bulk transfer or similar Laws of any jurisdiction that may otherwise be applicable with respect to the sale of any or all of the Assets to Buyer and waive all claims related to the non-compliance therewith.

Section 4.10 Cure Costs.

Notwithstanding anything in any Transaction Document to the contrary, Sellers shall be solely responsible for all Cure Costs.

Section 4.11 Inventory Count.

(a) Commencing at 5:00 p.m. Eastern Time on the date immediately preceding the anticipated Closing Date for each Store Property as set forth in the Closing Schedule, or on such other date or at such other time as the Parties may mutually agree in writing (the date of such Inventory with respect to a Closing being an “Inventory Date”), a physical count of the Inventory, and calculation of the value thereof, at each of the Stores being acquired at such Closing Date shall be made by a nationally-recognized, independent inventory service (the “Inventory Taker”) selected and engaged by Buyer, in its sole discretion. Each Party shall be entitled to have representatives present during the inventory and the fees and expenses of the Inventory Taker shall be borne fifty percent (50%) by Buyer and fifty percent (50%) by Sellers. The physical inventory shall not include the Excluded Inventory. The Inventory Taker shall value all Inventory carried in the Stores on the applicable Inventory Date, excluding the Excluded Inventory, at the book valuation method used to value the Inventory set forth on Section 2.8(e) of the Disclosure Schedule (the “Closing Inventory Valuation”).

(b) The complete inventory prepared by the Inventory Taker shall be prepared in accordance with the usual and customary practices of the industry and shall show the total cost of the Inventory for each Store determined in the manner provided above.

Section 4.12 Gift Cards and Gift Certificates.

(a) Following the applicable Closing Date through and including the date that is one hundred and eighty (180) days after the final Closing Date, with respect to each Store Property, at Buyer’s election, Buyer may accept in full any original proprietary gift cards issued by Sellers for use at their retail locations (“Gift Cards”) from customers who present Gift Cards at such Store Property, and Sellers agree to reimburse Buyer for payments made by Buyer during such period for such Gift Cards as follows: (a) upon presentment of a Gift Card at such Store Property as payment by a customer, an employee of Buyer shall at such point of sale contact Sellers’ representative at the toll-free number embossed on the Gift Card to determine the balance on such Gift Card using its unique identification number, (b) Buyer’s employee shall exchange the Gift Card with an equivalent proprietary gift card issued by Buyer for use at its retail locations in the amount of the Gift Card’s balance, (c) Buyer’s employee shall log the value of the gift card on a tracking log and shall send the Gift Card and the tracking log to Sellers at the Reimbursement Address, and (d) after verifying that the balances on such Gift Cards received from Buyer match the balance set forth in the fax statement, Sellers shall reimburse Buyer (“Gift Card Reimbursement”) by check on a monthly basis for the balances of all such Gift Cards

received from Buyer in the prior month (computed in accordance with the fax confirmation referred to above) within thirty (30) days of the end of such prior month.

(b) Following the applicable Closing Date through and including the date that is one hundred and eighty (180) days after the final Closing Date, with respect to each Store Property, at Buyer's election, Buyer may redeem at full face value any original proprietary gift certificates issued by Sellers for use at their retail locations ("Gift Certificates") to customers who present such Gift Certificates at such Store Property, and Sellers shall reimburse Buyer ("Gift Certificate Reimbursement") on a monthly basis for Buyer's redemptions of such Gift Certificates which are forwarded by Buyer to Sellers at the Reimbursement Address within thirty (30) days of the end of the month in which such Gift Certificates were received.

Section 4.13 Termination Rights of Buyer as to Store Properties and Related Acquired Assets.

With respect to the Store Property set forth on Exhibit 1.2, Buyer shall have the right to contact the landlord with respect to such Store Property on a confidential basis in accordance with this Section 4.13. In the event that Buyer is unable to reach an agreement with the landlord of ~~the~~such Store Property on terms satisfactory to Buyer in its sole discretion (provided, that Buyer shall negotiate in good faith with each applicable landlord) prior to the Initial Closing (or such longer period as may be agreed by the Parties), then Buyer may elect, by delivering written notice to Sellers prior to the Initial Closing, to treat ~~the~~such Store Property and the related Assets as Excluded Assets. Any Store Properties that are treated as Excluded Assets in accordance with this Section 4.13 shall be added to the list of Separable Stores and removed from Exhibit 1.2. In the event the Store Property set forth on Exhibit 1.2 is added to the list of Separable Stores, the Base Amount shall be reduced by value of Inventory for such Store Property set forth on Section 2.8(e) of the Disclosure Schedule and such Store Property and Inventory valuation ascribed to such Store Property shall be removed from such Schedule.

**ARTICLE 5
CLOSING CONDITIONS**

Section 5.1 Conditions to Obligations of All Parties.

The obligation of each Party to consummate the transactions contemplated by this Agreement is subject to the fulfillment on or prior to each Closing of each of the following conditions, any one or more of which (to the extent permitted by applicable Law) may be waived by such Party:

(a) No temporary restraining Order, Law, preliminary or permanent injunction, cease and desist Order, or other Order issued by any Governmental Entity, shall be in effect prohibiting or preventing the transactions contemplated by this Agreement.

(b) All applicable waiting periods under any Antitrust Law shall have expired or otherwise been terminated.

(c) The Bankruptcy Court shall have entered the Sale Order on the docket and no Order staying, reversing, modifying or amending the Sale Order shall be in effect on the Closing Date.

Section 5.2 Conditions to Obligation of Buyer.

The obligation of Buyer to consummate the transactions contemplated by this Agreement is subject to the fulfillment on or prior to each Closing of each of the following conditions, any one or more of which (to the extent permitted by applicable Law) may be waived by Buyer:

(a) The Transactional Reps shall be true, correct and complete in all respects (other than de minimis failures of the Transactional Reps to be true, correct and complete), both as of the date of this Agreement and as of such Closing (other than the Transactional Reps that are made as of a specified date, which Transactional Reps shall be true, correct and complete in all respects (other than de minimis failures of the Transactional Reps to be true, correct and complete) as of such date. The representations and warranties of Sellers contained in this Agreement related to the Store Assets and Corporate Assets assigned to Buyer at such Closing (other than the Transactional Reps) shall be true, correct and complete in all respects (disregarding all materiality, Seller Material Adverse Effect and similar qualifications), both as of the date of this Agreement and as of such Closing (other than such representations and warranties that are made as of a specified date, which representations and warranties shall be true, correct and complete as of such date), except where the failure of such representations and warranties to be true, correct and complete would not have a Seller Material Adverse Effect.

(b) Sellers shall have performed or complied in all material respects with their obligations and covenants required by this Agreement to be performed or complied with by them at or prior to such Closing.

(c) Sellers shall have delivered to Buyer a certificate, dated as of such Closing Date, executed by a duly authorized officer of each Seller to the effect that the conditions set forth in Section 5.2(a) and Section 5.2(b) have been satisfied (the “Seller’s Closing Certificate”).

(d) Buyer shall have received from the applicable state Boards of Pharmacy confirmation of the approval of Buyer’s application for Permits to operate the pharmacies located on each of the applicable Store Properties and confirmation that such pharmacy Permits will be issued upon receipt from Buyer of evidence that the Closing has occurred.

(e) Sellers shall have paid all Cure Costs associated with the Assigned Contracts, Assigned Licenses, the Corporate Headquarters Lease, Store Leases and the Real Property Documents for the applicable Store Properties.

(f) Buyer shall have received the Quotation for the Environmental Insurance Policy for the Legacy Haggen Properties underwritten by the Insurer, the form of which ~~is acceptable to Buyer and is at least as favorable~~ has substantially similar coverage terms as Allied World Insurance Company Policy Number: 0309-~~4354~~4354, and the Quotation ~~continuing in effect and~~ having been bound as of the Initial Closing for the issuance of the Environmental Insurance Policy ~~substantially~~ and continuing in effect upon the terms and conditions of the Quotation.

(g) Sellers shall have made the deliveries to Buyer required under Section 1.4(c).⁺⁰

(h) In addition to the satisfaction of the conditions set forth in (a)-(g) above, solely with respect to the Spirit Store Properties and subject to Buyer's rights set forth in Section 4.13, the assignment and assumption of the Spirit Store Properties (and the Assets located thereat and related thereto) shall be conditioned upon the earlier to occur of (A) Spirit entering into (i) an amendment to that certain Amended and Restated Master Lease Agreement, dated as of June 15, 2015, between Spirit and HOH, as amended (the "Master Lease") to remove the Spirit Store Properties from the Master Lease; and (ii) a lease agreement for each of the Spirit Store Properties for the base rent set forth on Section 5.2(h) of the Disclosure Schedule and on other economic terms and conditions substantially similar to the Master Lease, it being understood, however, that Spirit's refusal to modify any terms for such lease agreements, other than those that are reasonably necessary to convert the Master Lease from a multi-property master lease to a single-property lease for each such Spirit Property or to set the base rent rates referenced in the immediately preceding clause, shall not constitute a failure of this condition to be satisfied or (B) the Bankruptcy Court issuing an Order that each Spirit Store Property is severed from the Spirit Master Lease, and such severance being deemed to create separate and independent leases applicable to each of the Spirit Store Properties, which shall have rent allocable to each of the Spirit Store Properties as set forth on Section 5.2(h) of the Disclosure Schedule. For the avoidance of doubt, if each other condition is fulfilled or waived with respect to the other Store Properties but the condition set forth in this clause (h) has not yet been fulfilled or waived, then the Closings with respect to such other Store Properties shall occur as contemplated by Section 1.3, the Purchase Price to be paid at such Closing for the other Store Properties shall be reduced by the aggregate Allocated Amount for the Spirit Store Properties and, if the condition set forth in this clause (h) is thereafter fulfilled prior to the Expiration Date, then the Closing shall proceed at such time with respect to the Spirit Store Properties and related Assets and the Purchase Price to be paid at such closing for the Spirit Store Properties shall be the aggregate Allocated Amount for the Spirit Store Properties. In the event that the Closing with respect to the Spirit Store Properties does not occur prior to the Expiration Date, the Inventory valuation ascribed to the Spirit Store Properties shall be removed from Section 2.8(e) of the Disclosure Schedule.

Section 5.3 Conditions to Obligation of Sellers.

The obligation of Sellers to consummate the transactions contemplated by this Agreement is subject to the fulfillment on or prior to each Closing of each of the following conditions, any one or more of which (to the extent permitted by applicable Law) may be waived by Sellers:

(a) The representations and warranties of Buyer contained in this Agreement shall be true, correct and complete in all respects (disregarding all materiality and similar qualifications), both as of the date of this Agreement and as of such Closing (other than such representations and warranties that are made as of a specified date, which representations and warranties shall be true, correct and complete as of such date), except where the failure of such representations and warranties to be true, correct and complete would not have a material adverse effect on Buyer's ability to consummate the transactions contemplated hereby.

⁺⁰ ~~Note to Draft: Buyer will require a Settlement Agreement with respect to the Spirit properties to break out leases.~~

(b) Buyer shall have performed or complied in all material respects with its obligations and covenants required by this Agreement to be performed or complied with by Buyer at or prior to such Closing.

(c) Buyer shall have delivered to Sellers a certificate, dated as of such Closing Date, executed by Buyer to the effect that the conditions set forth in Section 5.2(d), Section 5.3(a) and Section 5.3(b) have been satisfied (the “Buyer’s Closing Certificate”).

(d) Buyer shall have made the deliveries to Sellers required under Section 1.4(d).

ARTICLE 6 TERMINATION

Section 6.1 Termination of Agreement.

This Agreement may be terminated and the transactions contemplated hereby may be abandoned at any time prior to the Initial Closing as provided below:

(a) Buyer and Sellers may terminate this Agreement by mutual written consent at any time prior to the Initial Closing;

(b) Buyer may terminate this Agreement by giving written notice to Sellers at any time prior to the Initial Closing if:

(i) a chapter 11 trustee or examiner with expanded powers is appointed in the Chapter 11 Case of any Seller or any of its affiliated debtors; or

(ii) the Chapter 11 Case of any Seller or any of its affiliated debtors is converted to a case under chapter 7 or is dismissed.

(c) Buyer may terminate this Agreement (so long as Buyer is not then in material breach of any of its representations, warranties, material covenants or material agreements contained in this Agreement) by giving written notice to Sellers at any time prior to the Initial Closing:

(i) in the event that any Seller has breached any representation, warranty, covenant or agreement contained in this Agreement, which breach would cause the failure of any condition set forth in Section 5.2 to be satisfied and Buyer shall have provided written notice of such breach to Sellers, and such breach, if curable, has continued without cure for a period of ten (10) days after receipt of such notice by Sellers;

(ii) if the Initial Closing shall not have occurred on or before the Expiration Date by reason of the failure of any condition precedent set forth in Section 5.2 to have occurred (unless such failure shall be due to the failure of Buyer to perform or comply with any of the representations, warranties, material covenants, material agreements, or conditions of this Agreement to be performed or complied with by it prior to Closing);

(d) Sellers may terminate this Agreement (so long as Sellers are not then in material breach of any of their representations, warranties, material covenants or material agreements contained in this Agreement) by giving written notice to Buyer at any time prior to the Initial Closing:

(i) in the event Buyer has breached any representation, warranty, covenant or agreement contained in this Agreement which breach would cause the failure of any condition set forth in Section 5.3 to be satisfied and Sellers shall have provided written notice of such breach to Buyer, and the breach, if curable, has continued without cure for a period of ten (10) days after receipt of such notice by Buyer; or

(ii) if the Initial Closing shall not have occurred on or before the Expiration Date by reason of the failure of any condition precedent set forth in Section 5.3 to have occurred (unless such failure shall be due to the failure of Sellers to perform or comply with any of the representations, warranties, material covenants, material agreements, or conditions of this Agreement to be performed or complied with by them prior to Closing).

Section 6.2 Effect of Termination.

If any Party terminates this Agreement pursuant to Section 6.1, all rights and obligations of the Parties hereunder shall terminate without any Liability of any Party to the other Parties except for the Liabilities of a Party then in material and willful breach; provided, that, in connection with any termination of this Agreement, the aggregate Liability of Buyer shall not exceed the Buyer Deposit (and, for the avoidance of doubt, if an amount equal to the Buyer Deposit is deemed satisfied from Sellers' obligations to Buyer (or its Affiliate) under the Replacement DIP Loan pursuant to Section 6.3 in connection with any such termination, Buyer shall have no further Liability hereunder). Notwithstanding the foregoing, this Section 6.2, Section 4.4, Section 6.3 and ARTICLE 7 shall survive any termination of this Agreement.

Section 6.3 Buyer Deposit.

In the event of a termination of this Agreement pursuant to Section 6.1(d)(i), an amount equal to the Buyer Deposit shall be deemed satisfied from Seller's obligations to Buyer (or its Affiliate) under the Replacement DIP Loan.

ARTICLE 7 MISCELLANEOUS

Section 7.1 Definitions.

(a) For purposes of this Agreement, the terms set forth below have the following meanings:

"Affiliate" of any particular Person means any other Person controlling, controlled by or under common control with such particular Person, where "control" means the possession, directly or indirectly, of the power to direct the management and policies of a Person whether through the ownership of voting securities or otherwise.

“Allocated Amount” means, with respect to any Spirit Store Property, the amount of the Purchase Price allocated to such Store Property and the related Assets located thereat as set forth in the Closing Schedule.

“Antitrust Law” means the Sherman Act, the Clayton Act, the HSR Act, the Federal Trade Commission Act, and all other Laws and Orders that are designed or intended to prohibit, restrict or regulate actions having the purpose or effect of monopolization or restraint of trade or lessening of competition through merger or acquisition, whether in the United States or elsewhere.

“Assignable Contract” means a contract or lease (other than Store Leases) set forth on Section 1.1(a)(iii)(a) of the Disclosure Schedule.

“Base Amount” means an amount equal to \$106,167,725.00.⁺⁺

“Benefit Arrangement” means any employee benefit plan, program, policy, practices, or other arrangement providing benefits to any Seller Service Provider or any beneficiary or dependent thereof that is sponsored or maintained by any of the Sellers or any of their ERISA Affiliates, or to which any of the Sellers or any of their ERISA Affiliates contributes or is obligated to contribute, including any Multiemployer Plan, whether or not written, including without limitation any employee welfare benefit plan within the meaning of Section 3(1) of ERISA, any employee pension benefit plan within the meaning of Section 3(2) of ERISA (whether or not such plan is subject to ERISA), and any bonus, incentive, deferred compensation, vacation, stock purchase, stock option, severance, employment, change of control or fringe benefit plan, program or policy, in each case, whether written or unwritten.

“Bid Procedures Order” means that certain Order (I) Scheduling a Hearing on the Approval of the Sale of the Debtors’ Core Stores, and the Assumption and Assignment of Certain Executory Contracts and Unexpired Leases, (II) Approving Certain Bidding Procedures, and Bid Protections and the Form and Manner of Notice Thereof, and (III) Granting Related Relief [Docket No. 911].

“Business” means the business currently conducted by Sellers at the Store Properties and the Corporate Headquarters.

“Business Day” means any day of the year on which national banking institutions in the City of Los Angeles, CA are open to the public for conducting business and are not required or authorized to close.

“Closing Cash” means cash on hand in cash registers and safes at the Store Properties as of the applicable Effective Time.

“Closing Consideration” means an aggregate amount in cash and satisfaction by Buyer of Sellers’ obligations under the Replacement DIP Loan, which shall be equal to the following: (i) the Base Amount, plus (ii) the Estimated Adjustment Amount.

⁺⁺ ~~Reflects reduction for Inventory at Puyallup Store Property (reflected on Inventory schedule previously provided) that was dropped from the APA.~~

“Code” means the Internal Revenue Code of 1986, as amended.

“Controlled Group Liability” means any and all liabilities under (i) Title IV of ERISA, including without limitation, (a) any Liability related to any Seller Service Provider, or any other Seller Service Provider that arises during, accrues during, or is attributable or related to, the period prior to the Effective Time or as a result of the transactions contemplated by this Agreement, (b) any Liability under any Benefit Arrangement of Sellers or any of their ERISA Affiliates under Section 302 or 303 of ERISA and (c) any “withdrawal liability” as such term is defined in Section 4201 of ERISA, (ii) under Sections 412, 430 and 4971 of the Code, (iii) COBRA, and (iv) provisions of foreign laws or regulations that correspond or are similar to those in the foregoing clauses (i) through (iii).

“Corporate Headquarters” means that certain office space leased by ~~Sellers at [Address of Hagen]~~ Hagen, Inc. at 2211 Rimland Drive, Bellingham, WA 98226.

“Cure Costs” means any and all amounts, costs or expenses that must be paid or actions or obligations that must be performed or satisfied pursuant to section 365(b)(1) of the Bankruptcy Code to effectuate, pursuant to the Bankruptcy Code, the assumption by the applicable Seller and assignment to Buyer of the Assigned Contracts ~~and~~ Assigned Licenses, the Corporate Headquarters Lease, Store Leases, as determined by the Bankruptcy Court or as agreed to by the applicable Seller and the non-Seller counterparty to the applicable Assigned Contract or Store Lease.

“Damage” means, with respect to any Store Property, any damage incurred between the date hereof and the applicable Effective Time to the extent that the operation of a Store Property is substantially impaired thereby, including, material damage to any parking rights or material inhibited access to such Store Property.

“Designation Rights Period” means the period commencing on the date the Sale Order is entered by the Bankruptcy Court and ending on one hundred and twenty (120) days after the date of the final Closing Date.

“Disclosure Schedule” means the disclosure schedule dated the date hereof regarding this Agreement that has been provided by Sellers to Buyer.

“ERISA” means the Employee Retirement Income Security Act of 1974, as amended.

“ERISA Affiliate” means, with respect to any entity, trade or business, any other entity, trade or business that is, or was at the relevant time, a member of a group described in Section 414(b), (c), (m) or (o) of the Code or Section 4001(b)(1) of ERISA that includes or included the first entity, trade or business, or that is, or was at the relevant time, a member of the same “controlled group” as the first entity, trade or business pursuant to Section 4001(a)(14) of ERISA.

“Excluded Employee Liabilities” means any Liability or Losses related to any Seller Service Provider, other than Assumed Employee Liabilities and any other Liability assumed in Section 4.5, that arises prior to the applicable Effective Time, including without limitation: (i) any Liability or Losses related to, or arising under, any Benefit Arrangement; (ii) any payments or

entitlements that Sellers or any of their Affiliates or ERISA Affiliates owes to any Seller Service Providers, including wages, other remuneration, holiday, bonus, severance pay (statutory or otherwise), commissions, post-employment medical or death benefits, pension contributions, insurance premiums, Taxes, and any other Losses or Liability, payment or obligations related to Seller Service Providers, including under, or with respect to, WARN Act Laws, COBRA and actions under any labor or similar Laws, and any such Liabilities arising out of or resulting in connection with the applicable Closing and/or the consummation of the transactions contemplated by this Agreement under any Benefit Arrangement, that were or is incurred, accrued or arises on or prior to the applicable Closing; (iii) any Controlled Group Liability, whether arising with respect to any Seller or any of its Affiliates or ERISA Affiliates; (iv) any payments, compensation, costs, disbursements, expenses or other Liabilities incurred in connection with the termination of employment or other service relationship of any Seller Service Provider, regardless of whether or not such Seller Service Provider becomes a Transferred Employee and regardless of whether arising under any Benefit Arrangement or other severance policy or agreement or under any applicable Law or otherwise; and (v) any Liability, Losses or obligations (including any Liability imposed by any arbitrator or relating to any pending grievances or arbitrations) under any Labor Agreement arising from conduct or alleged conduct of any Seller or any of its Affiliates or ERISA Affiliates on or prior to the applicable Effective Time.

“Expiration Date” means July 29, 2016.

“GAAP” means United States generally accepted accounting principles in effect from time to time.

“HSR Act” means the Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended.

“Improvements” means the buildings, fixtures, lighting, electrical, mechanical, plumbing and heating, ventilation and air conditioning systems and improvements (including the USTS) located on or attached to the Store Properties or Real Properties, which are owned by any Seller, if any.

“Indebtedness” means, with respect to any Person at any applicable time of determination, without duplication: (a) all obligations for borrowed money; (b) all obligations evidenced by bonds, debentures, notes or other similar instruments or debt securities; (c) all obligations under swaps, hedges or similar instruments; (d) all obligations in respect of outstanding letters of credit or bankers’ acceptances or similar instruments; (e) all obligations secured by a Lien; (f) all guaranties in connection with any of the foregoing; (g) all obligations recorded or required to be recorded as capital leases in accordance with GAAP as of the date of determination of such Indebtedness; (h) all obligations for the deferred purchase price of property or services or the acquisition of a business or portion thereof, whether contingent or otherwise, as obligor or otherwise, at the maximum amount payable in respect thereof, regardless of whether such amount is contingent on future performance; (i) all obligations created or arising under any conditional sale or other title retention agreement with respect to acquired property; (j) all obligations arising from cash or book overdrafts; and (k) all accrued interest, prepayment

premiums, fees, penalties, expenses or other amounts payable in respect of any of the foregoing; provided, however, that Indebtedness shall not include any Assumed Employee Liability.

“Intellectual Property” means: (i) all patents and patent applications with all reissuances, continuations, continuations-in-part, extensions, and reexaminations thereof; (ii) all trademarks, service marks, trade dress, logos and trade names, including all applications, registrations and renewals therefor and all goodwill associated therewith; (iii) all copyrights, including all applications, registrations and renewals in connection therewith; (iv) all trade secrets and confidential information; and (v) internet domain name registrations and web sites.

“Inventory” means merchandise inventory, pharmacy merchandise (legend, non-legend and generic), supplies, containers, labels, packaging material, maintenance supplies, beverages (alcoholic and non-alcoholic), food and other similar items, whether in broken or unbroken units, which are located in or held for sale at the Store Properties.

~~“IRS” means the Internal Revenue Service.~~

“IT Systems” means electronic data processing, information, recordkeeping, communications, telecommunications, networking, account management, inventory management and other such applications, software, and hardware, equipment and services (including, but not limited to, all applications and software installed on all hardware and equipment, and all databases, firmware, and related documentation), and Internet websites and related content.

“Knowledge of Sellers” or words of similar effect, regardless of case, means the actual knowledge, after reasonable inquiry, of John Clougher or Blake Barnett.

“Law” means any federal, state, local or foreign law (including common law), statute, code, ordinance, rule, regulation or other requirement or rule of law of any Governmental Entity.

“Legal Proceeding” means any judicial, administrative or arbitral actions, suits, proceedings (public or private), claims, hearings, investigations, charges, complaints, demands or governmental proceedings.

“Liability” means any liability, obligation or commitment of any nature whatsoever (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated, and whether due or to become due, or otherwise), including any liability for Taxes and any accounts payable.

“Lien” means, with respect to any property or asset, any mortgage, lien, pledge, charge, claim, security interest, community or other marital property interest, equitable interest, license, option, right of way, easement, encroachment, servitude, right of first offer or first refusal, buy/sell agreement or other encumbrance with respect to the use, construction, voting, transfer, receipt of income or exercise of any other attribute of ownership in respect of such property or asset.

“Losses” means all damages, losses, liabilities, obligations, claims of any kind, interest or expenses (including reasonable attorneys’ fees and expenses, but excluding all lost profits, diminution in value, consequential damages, incidental damages and punitive damages).

“Multiemployer Plan” means any “multiemployer plan” within the meaning of Section 3(37) or Section 4001(a)(3) of ERISA that is subject to Title IV of ERISA.

“Neutral Accountant” means Deloitte LLP.

“Order” means any order, injunction, judgment, decree, ruling, writ, assessment or arbitration award.

“Payment Card Industry Data Security Standard” means the Payment Card Industry Data Security Standard as administered by the Payment Card Industry Security Standards Council.

“Person” means an individual, partnership, corporation, limited liability company, joint stock company, unincorporated organization or association, trust, joint venture, association or other organization, whether or not a legal entity, or a Governmental Entity.

“Permitted Exceptions” means (a) any Permitted Liens; (b) utility easements for electricity, gas, water, sanitary sewer, surface water drainage or other general easements granted to Governmental Authorities in the ordinary course of developing or operating the Store Properties; (c) recorded reciprocal easement agreements entered into in the ordinary course of developing or operating the Store Properties; (d) encumbrances consisting of zoning restrictions and other easements and restrictions established by Governmental Entities on the use of the Store Properties; (e) any Laws affecting the Store Properties that do not, individually or in the aggregate, materially interfere with the present use or ongoing use (to the extent consistent with present use) of the Store Properties or materially adversely affect the value of any of the Store Properties or other Assets taken as a whole; (f) any utility company rights, easements or franchises for electricity, water, steam, gas, telephone or other service or the right to use and maintain poles, lines, wires, cables, pipes, boxes and other fixtures and facilities in, over, under and upon the Store Properties; (g) any encroachments of stoops, areas, cellar steps, trim and cornices, if any, upon any street or highway; (h) any violations of Laws, Orders or other legal requirements affecting the Store Properties that do not, individually or in the aggregate, materially interfere with the present use or ongoing use (to the extent consistent with present use) of the Store Properties; (i) with respect to any Asset which consists of a leasehold estate or possessory interest in real property, if any, all ground leases, mortgages, deeds of trust or other encumbrances (collectively, the “Permitted Encumbrances”) to which the underlying fee estate in such real property is subject provided (i) the holder of such Permitted Encumbrance would not be entitled to foreclose upon or otherwise terminate such leasehold estate or possessory interest in the event of a foreclosure upon, or a termination of a ground lease relating to, the underlying fee estate, (ii) an effective non-disturbance agreement exists, or (iii) Sellers, at Sellers’ option, agree to indemnify Buyer against such Permitted Encumbrance; (j) all mechanics’, carriers’ workers’, repairers’ and similar liens (provided Sellers hereby agree to indemnify Buyer and, if applicable, the Title Company, against such liens) to cause same to be removed from any Ground Leasehold Title Policies and Owner Title Policies; (k) Liens (excluding any Indebtedness of Seller), title defects or irregularities that do not, individually or in the aggregate, materially interfere with the present or ongoing use of the Store Properties or materially adversely affect the value of any of the Store Properties or other Assets taken as a whole (provided Sellers hereby agree to indemnify Buyer against such liens); (l) the Store Leases; (m) with respect to the Store Properties, the

Licenses; and (n) any non-material encroachments of Improvements over any easements, rights of way, set back lines, or boundaries.

“Pharmacy Asset” means all Pharmacy Records, Prescriptions Lists, pharmacy scripts, pharmacy inventory and other pharmacy assets, supplies and equipment located at or related to any Store Property.

“Pharmacy Records” means all files, documents, instruments, papers, books, computer files and records and all other records, including all Prescription Lists, in any media relating to the patients, doctors, pharmaceuticals, controlled substances, or prescriptions of, administered by or filled at the Store Properties and/or relating to any Law or Order concerning any of the foregoing.

“Prescription Lists” means retail customer files (including prescriptions for retail customers and other medical information related thereto) maintained by a retail pharmacy at any of the Store Properties.

“Real Property Documents” means leases, subleases, options, contracts, extension letters, easements, reciprocal easements, assignments, termination agreements, subordination agreements, nondisturbance agreements, recognition agreements, estoppel certificates, development agreements, entitlement agreements, zoning agreements, written approvals and authorizations and written signage rights and approvals, surveys, amendments or supplements to any of the foregoing, and recorded memoranda of any of the foregoing, in each case, with respect to Store Properties.

“Reimbursement Address” means ~~Haggen, Inc., Attn: [●], [2211 Rimland Drive, Bellingham, WA 98226]~~ Sellers’ address as set forth in Section 7.4 (or such other address as Sellers may hereafter specify by notice given to Buyer pursuant to Section 7.4).

“Sale Order” means an order of the Bankruptcy Court, in substantially the form set forth in Exhibit HJ: (a) approving (i) this Agreement, the other Transaction Documents and the execution, delivery, and performance by Sellers of this Agreement, the other Transaction Documents and the other instruments and agreements contemplated hereby and thereby; (ii) the sale of the Assets to Buyer free and clear of all liens, other than any Permitted Liens or any Assumed Liabilities; (iii) the assumption of the Assumed Liabilities by Buyer on the terms set forth herein and in the other Transaction Documents; and (iv) the assumption and assignment to Buyer of the Assigned Contracts on the terms set forth herein and in the other Transaction Documents; (b) determining that Buyer is a good faith purchaser; and (c) providing that the Closing will occur in accordance with the terms and conditions hereof.

“Seller Indemnified Parties” means the Sellers and their Affiliates and their respective officers, directors, shareholders, trustees, members, partners, limited partners, agents, advisors and employees.

“Seller Material Adverse Effect” means any effect, event, occurrence, development or change that, individually or in the aggregate, has had, or could reasonably be expected to have, a material adverse effect on the assets, properties, results of operations or condition (financial or otherwise) of the Business or on the ability of any Seller to consummate the transactions

contemplated by this Agreement (excluding any effect, event, occurrence, development or change resulting from or related to (i) compliance by any Seller with the terms of this Agreement, the Sale Order or the Bid Procedures Order, (ii) general economic conditions or relating to those industries specific to the Business, (iii) the authorized public announcement of the transactions contemplated by this Agreement, (iv) national or international political or social conditions, including the engagement by the United States in hostilities, (v) changes in financial, banking or securities markets, (vi) changes in GAAP following the date hereof, or (vii) changes to any Law or Order following the date hereof); provided, that, any effect, event, occurrence, development or change referred to in the preceding clauses (ii), (iv), (v), (vi) or (vii) shall be taken into account in determining whether a Seller Material Adverse Effect has occurred to the extent that such effect, event, occurrence, development or change disproportionately affects the Business as compared to other businesses in the same industry).

“Seller Service Provider” means any current or former employee (including any Store Employee and Corporate Employee), director or consultant (or any dependent or beneficiary thereof) of any Seller or any ERISA Affiliate or predecessor or successor thereof.

“Separable Stores” means, if applicable, the Store Property added to Exhibit 1.3 in accordance Section 4.13.

“Spirit” means Spirit SPE HG 2015-1, LLC, a Delaware limited liability company.

“Spirit Store Properties” means the stores operated by a Seller at the following locations: - ~~[●] 14300 SW Barrows Rd, Tigard, Oregon, 450 N. Wilbur Avenue, Walla Walla, Washington, 16199 Boones Ferry Road, Lake Oswego, Oregon and 3075 Hilyard St., Eugene, Oregon; provided, however, that none of the foregoing shall be deemed to be a Spirit Store Property from and after the time at which it becomes a Separable Store, including as provided in Section 4.13.~~

“Store Properties” means the stores operated by any Seller or any Affiliate thereof at the locations identified on Exhibit 1.1 hereto.¹²

“Subsidiary” means, with respect to any Person, any entity of which securities or other ownership interests having ordinary voting power to elect a majority of the board of directors or other Persons performing similar functions are at any time directly or indirectly owned by such Person.

“Tax” or “Taxes” means all United States federal, state, local and foreign taxes including: (i) taxes or other charges on or with respect to income, franchises, windfall or other profits, gross receipts, profits, sales, use, excise, withholding, ad valorem, stamp, transfer, value added, registration, documentary, stamp, gains, escheat, unclaimed property, capital stock, payroll, employment, social security, workers’ compensation, unemployment compensation, net worth, license, severance, occupation, premium, environmental, customs duties, disability, real property, personal property, alternative or add-on minimum, estimated, or other tax of any kind or any charge of any kind in the nature of (or similar to) taxes whatsoever, including any interest, penalty, or addition thereto, whether disputed or not; and (ii) any liability for the payment of any amounts of the type described in clause (i) of this definition as a result of being a member of an

¹² ~~-Acquisition of liquor distribution center and liquor inventory being reviewed and considered by the parties.~~

affiliated, consolidated, combined or unitary group for any period, as a result of any tax sharing or tax allocation agreement, arrangement or understanding, or as a result of being liable for another person's taxes as a transferee or successor, by contract or otherwise.

"Tax Return" means any return, report, declaration, form, filing, claim for refund or information return or statement relating to Taxes, including any schedule or attachment thereto, and including any amendment thereof.

"Transaction Document" means this Agreement, the Bills of Sale, the Assignment and Assumption Agreements, the IP Assignments, each Assignment and Assumption of Lease, the Escrow Agreement and the other agreements, instruments and documents required to be delivered hereunder on the date hereof or in connection with the Closings.

"Transactional Reps" means the representations and warranties set forth in Section 2.1, Section 2.2, Section 2.3(b)(i) and Section 2.7.

"USTS" means underground storage tanks and related equipment, including piping and dispensing equipment.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
<u>2014 Agreement</u>	<u>Section 7.3</u>
<u>Adjustment Amount</u>	<u>Section 1.5(a)</u>
Agreement	Preamble
Assets	<u>Section 1.1(a)</u>
Assigned Contract	<u>Section 1.1(a)(iii)</u>
Assigned License	<u>Section 1.1(a)(ii)</u>
Assignment and Assumption Agreement	<u>Section 1.4(c)</u>
Assignment and Assumption of Lease	<u>Section 1.4(c)</u>
Assumed Employee Liabilities	<u>Section 4.5(d)</u>
Assumed Liabilities	<u>Section 1.1(c)</u>
<u>Assumption Notice</u>	<u>Section 1.8(b)</u>
<u>Avoidance Actions</u>	<u>Section 1.1(a)(xvi)</u>
<u>Bakery Fund</u>	<u>Section 4.5(k)</u>
<u>Bakery Union</u>	<u>Section 4.5(k)</u>
Bankruptcy Code	Recitals
Bankruptcy Court	Recitals
Bill of Sale	<u>Section 1.4(c)</u>
Buyer	Preamble
Buyer Deposit	<u>Section 1.2(b)</u>
<u>Buyer Objection Notice</u>	<u>Section 1.8(b)</u>
Buyer's Closing Certificate	<u>Section 5.3(c)</u>

Term	Section
Casualty/Condemnation Store	Section 1.7(a)
Chapter 11 Case	Recitals
Closing	Section 1.3(a)
<u>Closing Adjustment Amount</u>	<u>Section 1.5(b)</u>
Closing Date	Section 1.3(a)
<u>Closing Inventory Valuation</u>	<u>Section 4.11(a)</u>
Closing Net Working Capital <u>Schedule</u>	Section 1.5 <u>1.3</u> (ab)
Closing Statement	Section 1.5(ab)
Confidentiality Agreement	Section 4.4(b)
Corporate Assets	Section 1.1(a)
<u>Corporate Employee</u>	<u>Section 2.13(a)</u>
<u>Corporate Headquarters Lease</u>	<u>Section 2.8(a)</u>
<u>Customer Information</u>	<u>Section 2.15</u>
<u>Damage Recovery Cap</u>	<u>Section 1.7(e)</u>
<u>Data Security Policies</u>	<u>Section 2.15</u>
<u>DEA</u>	<u>Section 1.1(a)(xii)</u>
<u>Deed</u>	<u>Section 1.4(c)</u>
Deposits	Section 1.1(a)(xi)
<u>Designation Rights Budget</u>	<u>Section 1.8(b)</u>
<u>Designation Rights Contract</u>	<u>Section 1.8(b)</u>
Dispute Notice	Section 1.5(c)
Disputed Items	Section 1.5(c)
Effective Time	Section 1.3(a)
Environmental, Health, and Safety Requirements	Section 2.6(f)
<u>Environmental Insurance Policy</u>	<u>Section 7.12</u>
Environmental Reports	Section 2.6(f)
Equipment	Section 1.1(a)(vi)
Escrow Account	Section 1.2(b)
Escrow Agreement	Section 1.2(b)
Escrow Holder	Section 1.2(b)
<u>ERISA Affiliate</u>	<u>Section 2.13(g)</u>
Estimated Net Working Capital <u>Adjustment Amount</u>	Section 1.4(a)
Estimated Statement	Section 1.4(a)
Excluded Asset	Section 1.1(b)
<u>Excluded Contract</u>	<u>Section 1.8(b)</u>
<u>Excluded Inventory</u>	<u>Section 1.1(b)(xiii)</u>
Excluded Liability	Section 1.1(d)
Files and Records	Section 1.1(a)(viii)
Final Adjustment Amount	Section 1.5(e)
Final Closing Statement	Section 1.5(c)

Term	Section
<u>Gift Certificate</u>	<u>Section 4.12(b)</u>
<u>Gift Certificate Reimbursement</u>	<u>Section 4.12(b)</u>
<u>Gift Card</u>	<u>Section 4.12(a)</u>
<u>Gift Card Reimbursement</u>	<u>Section 4.12(a)</u>
Governmental Entity	<u>Section 2.3(a)</u>
Guarantees	<u>Section 1.1(a)(iv)</u>
<u>Haggen, Inc.</u>	<u>Preamble</u>
Hazardous Substances	<u>Section 2.6(f)</u>
<u>HOH</u>	<u>Preamble</u>
Holdback Amount	<u>Section 1.2(b)</u>
<u>Identified Corporate Employees</u>	<u>Section 4.5(b)</u>
<u>Initial Closing</u>	<u>Section 1.3(a)</u>
<u>Insurer</u>	<u>Section 7.12</u>
<u>Inventory Date</u>	<u>Section 4.11(a)</u>
<u>Inventory Taker</u>	<u>Section 4.11(a)</u>
<u>IP Assignment</u>	<u>Section 1.4(c)</u>
<u>IRP</u>	<u>Section 2.15</u>
<u>Labor Agreements</u>	<u>Section 1.1(a)(v)</u>
<u>Land</u>	<u>Section 1.1(a)(xvii)</u>
Leased Real Property	<u>Section 2.8(a)</u>
<u>Legacy Haggen Properties</u>	<u>Section 7.12</u>
<u>Liquor Licenses</u>	<u>Section 1.1(a)(xiii)</u>
<u>Master Lease</u>	<u>Section 5.2(h)</u>
Non-Party Affiliate	<u>Section 7.16</u>
<u>Opco North</u>	<u>Preamble</u>
<u>Owned Real Property</u>	<u>Section 2.8(a)</u>
Party	<u>Preamble</u>
<u>Percentage Rent Proration</u>	<u>Section 1.5(a)</u>
<u>Percentage Rents</u>	<u>Section 1.5(a)</u>
Permits	<u>Section 2.5(a)</u>
Permitted Encumbrances	<u>Definition of “Permitted Exception”</u>
Permitted Liens	<u>Section 2.8(b)</u>
<u>Personal Property Tax Proration</u>	<u>Section 1.5(a)</u>
<u>Post-Closing WARN Liabilities</u>	<u>Section 4.5(c)</u>
Prepaid Expenses	<u>Section 1.1(a)(xi)</u>
<u>Privacy Policy</u>	<u>Section 2.15</u>
Proceeds	<u>Section 1.7(a)</u>
Purchase Price	<u>Section 1.2(a)</u>

Term	Section
Quotation	Section 7.12
Real Property	Section 1.1(a)(xvii)
Real Property Tax Prorations	Section 1.5(a)
Real Property Taxes	Section 1.5(a)
Rejection Notice	Section 1.8(b)
Replacement DIP Loan	Section 1.4(b)
Seller	Preamble
Seller Rejection Notice	Section 1.8(b)
Seller's Closing Certificate	Section 5.2(c)
Service Fees	Section 4.5(l)
Settlement Agreement	Section 7.3
Starbucks Equipment	Section 1.1(a)(vi)
Store Assets	Section 1.1(a)
Store Employees	Section 4.5(a)
Store Lease	Section 2.8(a)
Transferred Employees	Section 4.5(b)
Unsold Stores	Section 4.5(l)
Utility Proration	Section 1.5(a)
WARN Act Laws	Section 2.13(e)
WISP	Section 2.15

Section 7.2 Expenses. Except as expressly set forth in this Agreement, all fees and expenses incurred in connection with this Agreement and the transactions contemplated by this Agreement, including the fees and disbursements of counsel, financial advisors and accountants, shall be paid by the Party incurring such fees or expenses, provided, that Buyer shall be responsible for all filing and other similar fees payable in connection with any filings or submissions under the HSR Act.

Section 7.3 Entire Agreement; Amendment; Waiver; Assignment. This Agreement (a) constitutes the entire agreement among the Parties with respect to the subject matter hereof and supersedes all other prior agreements and understandings, both written and oral, among the Parties with respect to the subject matter hereof; provided, however, that, for the avoidance of doubt, with respect to all other matters, this Agreement shall not supersede in any respect, or otherwise effectuate any modification or waiver of, any provision of that certain Asset Purchase Agreement, dated December 10, 2014, by and among Haggen Holdings, LLC, Albertson's Holdings LLC and Buyer, as amended (the "2014 Agreement"), or that certain Settlement Agreement, dated January 21, 2016, by and among the Haggen Debtors, the Haggen Non-Debtors, the Committee, Albertson's, Cerberus, Comvest and the Settling Parties (as such terms are defined therein) (the "Settlement Agreement"), and the 2014 Agreement and the Settlement Agreement shall remain in full force and effect to the full extent provided therein; in the event of any ambiguity in the terms of the 2014 Agreement and Settlement Agreement, on the one hand, and the terms of this Agreement, on the other hand, regarding which agreement shall

govern a particular matter, the terms of the 2014 Agreement and Settlement Agreement shall govern such matter. (b) can be amended, supplemented or changed, and any provision hereof can be waived, only by written instrument making specific reference to this Agreement signed by Buyer, in the case of an amendment, supplement, modification or waiver sought to be enforced against Buyer, or Sellers, in the case of an amendment, supplement, modification or waiver sought to be enforced against Sellers; and (c) shall not be assigned by any Party (whether by operation of Law or otherwise) without the prior written consent of the other Parties, provided, that, Buyer (i) may assign or designate in whole or in part its rights or obligations hereunder to one or more Affiliates of Buyer, including any wholly-owned Subsidiary of Buyer, or to a successor of Buyer, in each case without the prior written consent of Sellers, provided, however, that in the event of an assignment to an Affiliate, Buyer shall remain responsible for the performance of its obligations hereunder, and any acknowledgements and waivers of Buyer hereunder shall be binding on Buyer and its assignees and designees. Buyer shall deliver to Seller on or before the date which is five (5) Business Days prior to the respective Closing Date written notice to Seller of any such assignment pursuant to this Section 7.3, which notice shall include the legal name of the proposed assignee and designee.

Section 7.4 Notices. All notices, requests, claims, demands and other communications hereunder shall be in writing and shall be given by personal delivery, nationally recognized overnight courier, certified mail or facsimile at the following addresses (or to such other address as a Party may have specified by notice given to the other Party pursuant to this provision):

To Buyer:

Albertson's LLC
250 East Parkcenter Boulevard
Boise, Idaho 83706
Facsimile: (208) 395-6575
Attention: Legal Department

with a copy (which shall not constitute notice to Buyer) to:

Schulte Roth & Zabel LLP
919 Third Avenue
New York, NY 10016
Facsimile: (212) 593-5955
Attention: Stuart D. Freedman, Esq.
David Hillman, Esq.

To Sellers:

Haggen Operations Holdings, LLC
[●] c/o Alvarez & Marsal North America, LLC
[●]
2029 Century Park East, Suite 2060
Los Angeles, CA 90067
Facsimile: [●] 310-975-2601

Attention: Jon Goulding

with a copy (which shall not constitute notice to Sellers) to:

Akerman LLP
One Southeast Third Avenue, 25th Floor
Miami, FL 33131
Facsimile: 305-374-5095
Attention: Carl Roston

and

Stroock & Stroock & Lavan LLP
2029 Century Park East, Suite 1600
Los Angeles, CA 90067
Facsimile: 310-407-6302
Attention: Frank A. Merola

Any such notice or communication shall be deemed to have been received (i) when delivered, if personally delivered, (ii) on the next Business Day after dispatch, if sent postage pre-paid by nationally recognized, overnight courier guaranteeing next Business Day delivery, (iii) on the 5th Business Day following the date on which the piece of mail containing such communication is posted, if sent by certified mail, postage prepaid, return receipt requested, and (iv) on confirmation of receipt when transmitted via facsimile; provided, that if confirmation of receipt is not received on a Business Day or is received after 5:00 p.m. Los Angeles, California time on a Business Day, such notice or communication shall be deemed to have been received the following Business Day.

Section 7.5 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the internal laws of the State of New York (without giving effect to the principles of conflict of Laws thereof), except to the extent that the Laws of such state are superseded by the Bankruptcy Code. Without limiting any Party's right to appeal any order of the Bankruptcy Court, the Parties agree that if any dispute arises out of or in connection with this Agreement or any of the documents executed hereunder or in connection herewith, the Bankruptcy Court shall have exclusive personal and subject matter jurisdiction and shall be the exclusive venue to resolve any and all disputes relating to the transactions contemplated hereby and any of the documents executed hereunder or in connection herewith. Such court shall have sole jurisdiction over such matters and the Parties affected thereby and Buyer and Sellers each hereby consent and submit to such jurisdiction; provided, however, that if the Chapter 11 Case shall have closed and cannot be reopened, the Parties agree to unconditionally and irrevocably submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York and any appellate court thereof, for the resolution of any such claim or dispute. The Parties hereby irrevocably waive, to the fullest extent permitted by applicable Law, any objection which they may now or hereafter have to the laying of venue of any such dispute brought in such court or any defense of inconvenient forum for the maintenance of such dispute. Each of the Parties hereto agrees that a judgment in any such dispute may be enforced in other jurisdictions by suit on the judgment or in any other manner provided by Law. In the event any such action,

suit or proceeding is commenced, the Parties hereby agree and consent that service of process may be made, and personal jurisdiction over any Party hereto in any such action, suit or proceeding may be obtained, by service of a copy of the summons, complaint and other pleadings required to commence such action, suit or proceeding upon the Party at the address of such Party set forth in Section 7.4, unless another address has been designated by such Party in a notice given to the other Parties in accordance with the provisions of Section 7.4.

Section 7.6 Exhibits and Schedules; Construction; Interpretation. If and to the extent any information required to be furnished in any Section of the Disclosure Schedule is contained in this Agreement or in any other Section of the Disclosure Schedule, such information shall be deemed to be included in all Sections of the Disclosure Schedule in which the information would otherwise be required to be included to the extent that the disclosure is reasonably apparent from its face to be applicable to such other Sections of the Disclosure Schedule. Disclosure of any fact or item in any Section of the Disclosure Schedule shall not be considered an admission by Sellers that such item or fact (or any non-disclosed item or information of comparable or greater significance) represents a material exception or fact, event or circumstance or that such item has had or would reasonably be expected to have a Seller Material Adverse Effect, that such item or fact will in fact exceed any applicable threshold limitation set forth in the Agreement and shall not be construed as an admission by any Seller of any non-compliance with, or violation of, any third party rights (including to any intellectual property rights) or any applicable Law of any Governmental Entity, such disclosures having been made solely for the purposes of creating exceptions to the representations made herein or of disclosing any information required to be disclosed under the Agreement. When a reference is made in this Agreement to an article, section, paragraph, clause, schedule or exhibit, such reference shall be deemed to be to this Agreement unless otherwise indicated. The text of all schedules is incorporated herein by reference. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation.” The definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms. Whenever the context may require, any pronouns used herein shall include the corresponding masculine, feminine or neuter forms, and the singular form of names and pronouns shall include the plural and vice versa. As used in this Agreement: (a) the terms “hereof,” “herein,” and “herewith” and words of similar import will, unless otherwise stated, be construed to refer to this Agreement as a whole and not to any particular provision of this Agreement, (b) the word “if” and other words of similar import shall be deemed, in each case, to be followed by the phrase “and only if”, (c) any reference herein to “Dollars” or “\$” shall mean United States dollars, (d) the use of “or” herein is not intended to be exclusive (i.e., “or” shall mean and/or unless the context otherwise requires), (e) references herein to a Person are also to its successors and permitted assigns, and any reference herein to a Governmental Entity shall be deemed to include reference to any successor thereto, and (f) whenever the phrase “ordinary course of business” is used in this Agreement without being followed by the words “consistent with past practice”, it will be deemed to be followed by such words.

Section 7.7 Parties in Interest. This Agreement shall be binding upon and inure solely to the benefit of each Party and its successors and permitted assigns and nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any rights, benefits or remedies of any nature whatsoever under or by reason of this Agreement.

Section 7.8 Severability. If any term or other provision of this Agreement is invalid, illegal or unenforceable, all other provisions of this Agreement shall remain in full force and effect so long as the economic or legal substance of the transactions contemplated hereby is not affected in any manner materially adverse to any Party.

Section 7.9 AS IS CONDITION; DISCLAIMER OF WARRANTIES;
EXCLUSIVITY OF REPRESENTATIONS AND WARRANTIES. EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY OF THE TRANSACTION DOCUMENTS OR IN ANY CERTIFICATE DELIVERED PURSUANT HERETO, BUYER WILL BE ACQUIRING THE ASSETS ON THE CLOSING DATE IN THEIR THEN EXISTING CONDITION "AS IS", "WHERE IS", SUBJECT TO ALL LEGAL REQUIREMENTS, ANY STATE OF FACTS WHICH AN ACCURATE SURVEY OR PHYSICAL INSPECTION OF THE ASSETS MIGHT REVEAL, WITHOUT WARRANTIES, EITHER EXPRESS OR IMPLIED, "WITH ALL FAULTS" INCLUDING BOTH LATENT AND PATENT DEFECTS, AND THE EXISTENCE OF HAZARDOUS MATERIALS, IF ANY.

(b) EXCEPT AS OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR IN ANY OF THE TRANSACTION DOCUMENTS OR IN ANY CERTIFICATE DELIVERED PURSUANT HERETO, NO WARRANTIES OR REPRESENTATIONS HAVE BEEN MADE OR ARE MADE, AND NO RESPONSIBILITY HAS BEEN OR IS HEREBY ASSUMED BY SELLERS, AND SELLERS EXPRESSLY DISCLAIM, AND BUYER HEREBY WAIVES, ALL SUCH OTHER WARRANTIES AND REPRESENTATIONS WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE CONDITION OR USE OF THE ASSETS, OR AS TO ANY OTHER FACT OR MATTER RELATED TO THE ASSETS OR ANY PORTION THEREOF, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, NOTWITHSTANDING THE DELIVERY OR DISCLOSURE TO BUYER OR ITS OFFICERS, DIRECTORS, EMPLOYEES, AGENTS OR REPRESENTATIVES OF ANY DOCUMENTATION OR OTHER INFORMATION (INCLUDING ANY FINANCIAL PROJECTIONS OR OTHER SUPPLEMENTAL DATA).

(c) WITHOUT LIMITING THE FOREGOING, EXCEPT TO THE EXTENT THAT THE SAME MAY BE OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR SET FORTH IN THE TRANSACTION DOCUMENTS OR IN ANY CERTIFICATE DELIVERED PURSUANT HERETO, NO WARRANTIES OR REPRESENTATIONS HAVE BEEN MADE OR ARE MADE, AND NO RESPONSIBILITY HAS BEEN OR IS HEREBY ASSUMED, BY SELLERS (AND SELLERS EXPRESSLY DISCLAIM, AND BUYER HEREBY WAIVES ALL SUCH OTHER WARRANTIES AND REPRESENTATIONS WHATSOEVER, EXPRESS OR IMPLIED), AS TO THE ENVIRONMENTAL CONDITION OF THE ASSETS INCLUDING THE PRESENCE OF HAZARDOUS MATERIALS, IF ANY, WHETHER LOCATED ABOVE OR BELOW GROUND, OR ON OR OFF THE PREMISES, OF THE STORE PROPERTIES. TO THE EXTENT THAT SELLERS PROVIDE TO BUYER ANY INFORMATION REGARDING ANY OF THE FOREGOING OR THE RESULTS OF ANY INSPECTION OR ANY ENGINEERING OR ENVIRONMENTAL REPORTS, SELLERS MAKE NO WARRANTIES OR REPRESENTATIONS, EXCEPT TO THE EXTENT THAT THE SAME MAY BE

OTHERWISE EXPRESSLY SET FORTH IN THIS AGREEMENT OR SET FORTH IN THE TRANSACTION DOCUMENTS OR IN ANY CERTIFICATE DELIVERED PURSUANT HERETO, WITH RESPECT TO THE CONTENT, ACCURACY, COMPLETENESS, METHODOLOGY OR ANY OTHER MATTER CONCERNING SUCH REPORTS.

(d) BUYER ACKNOWLEDGES AND AGREES THAT THE PROVISIONS OF THIS SECTION 7.9 WERE NEGOTIATED AND AGREED TO BY BUYER AND SELLERS AND WERE A MATERIAL FACTOR IN THE DETERMINATION OF THE AMOUNT OF THE PURCHASE PRICE OF THE ASSETS.

(e) With respect to any projection, forecast or business plan delivered by or on behalf of Sellers or any of their Affiliates to Buyer, Buyer acknowledges that (i) there are uncertainties inherent in attempting to make such projections, forecasts and plans, (ii) it is familiar with such uncertainties, (iii) it is taking full responsibility for making its own evaluation of the adequacy and accuracy of all such projections, forecasts and plans so furnished to it, and (iv) except to the extent that any warranties or representations may be otherwise expressly set forth in this Agreement or set forth in the Transaction Documents or in any certificate delivered pursuant thereto, it shall have no claim of any kind whatsoever against any Person with respect thereto.

(f) With respect to any appraisals or environmental reports of any Seller reviewed by Buyer in connection with the transactions contemplated hereunder, Buyer acknowledges and agrees that neither Sellers nor any of their respective agents has made or makes any representations or warranties to Buyer except to the extent that the same may be otherwise expressly set forth in this Agreement or set forth in the Transaction Documents or in any certificate delivered pursuant hereto, and Sellers expressly disclaim all representations and warranties with respect to any appraisals or environmental reports of Sellers except to the extent that the same may be otherwise expressly set forth in this Agreement or set forth in the Transaction Documents or in any certificate delivered pursuant hereto, including, but not limited to, any representations as to or concerning (i) the means, methodologies or protocols of the third party consultants, (ii) the accuracy or completeness of said reports, (iii) the scope of work upon which the reports are based, (iv) the appropriateness of the scope of work for the assessment of the market value of the Assets or the environmental matters relating to the Store Properties, as applicable, (v) the insurable value of the Assets, (vi) the replacement cost value of the Assets, (vii) the accuracy or reasonableness of the conclusions of the third party consultants, and/or (viii) any suggested or required remediation or other clean up of any Store Property. Sellers expressly disclaim any obligation or responsibility, express or implied, to update or supplement any reports.

(g) TO THE EXTENT REQUIRED TO BE OPERATIVE, THE DISCLAIMERS OF WARRANTIES CONTAINED HEREIN ARE "CONSPICUOUS" DISCLAIMERS FOR PURPOSES OF ANY APPLICABLE LAW.

(h) Notwithstanding anything to the contrary in this Section 7.9 or elsewhere in this Agreement, each of the Parties retains all of its rights and remedies with respect to claims based on fraud.

Section 7.10 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same agreement. Delivery of an executed counterpart of a signature page to this Agreement by facsimile, portable document format or other electronic means shall be effective as delivery of a manually executed counterpart to this Agreement.

Section 7.11 Waiver of Jury Trial. EACH OF THE PARTIES HEREBY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY RIGHT TO TRIAL BY JURY OF ANY CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION (I) ARISING UNDER THIS AGREEMENT OR (II) IN ANY WAY CONNECTED WITH OR RELATED OR INCIDENTAL TO THE DEALINGS OF THE PARTIES IN RESPECT OF THIS AGREEMENT OR ANY OF THE TRANSACTIONS RELATED HERETO, IN EACH CASE WHETHER NOW EXISTING OR HEREAFTER ARISING, AND WHETHER IN CONTRACT, TORT, EQUITY, OR OTHERWISE. EACH OF THE PARTIES EACH HEREBY AGREES AND CONSENTS THAT ANY SUCH CLAIM, DEMAND, ACTION, OR CAUSE OF ACTION SHALL BE DECIDED BY COURT TRIAL WITHOUT A JURY AND THAT ANY OF THE PARTIES MAY FILE AN ORIGINAL COUNTERPART OF A COPY OF THIS AGREEMENT WITH ANY COURT AS WRITTEN EVIDENCE OF THE CONSENT OF THE PARTIES TO THE WAIVER OF THEIR RIGHT TO TRIAL BY JURY.

Section 7.12 Environmental Insurance.

Sellers and Buyer shall cooperate to obtain a bindable quotation (the “Quotation”) for the issuance of an environmental insurance policy (the “Environmental Insurance Policy”) underwritten by Allied World Insurance Company or one of its affiliates or another insurance ~~carrier acceptable to Buyer~~ underwriter with the same or better A.M. Best Key Rating Agency policyholder’s service rating (the “Insurer”) for the subset of the Store Properties which Buyer did not previously convey to Seller or its Affiliates (the “Legacy Haggen Properties”), the form of which ~~is at least as favorable as~~ has substantially similar coverage terms as Allied World Insurance Company Policy Number: 0309-4354. Buyer acknowledges that the Environmental Insurance Policy specific policy terms, coverages and endorsements will be determined by the Insurer during underwriting of the Environmental Insurance Policy and will be based upon what is currently available in the environmental insurance market and on property-specific information about the Legacy Haggen Properties; therefore, the coverage may not be identical to Allied World Insurance Company Policy Number: 0309-4354. Prior to the Initial Closing, Sellers and Buyer shall cooperate to cause the Environmental Insurance Policy to be bound as of the Initial Closing, including the preparation and submission of all appropriate applications and other requirements of the Insurer. At the Initial Closing, Sellers shall pay to the Insurer the full amount of the premiums and taxes associated with the Environmental Insurance Policy; provided that, if Sellers fail to pay the full amount of such premium at the Initial Closing, Buyer may in its discretion elect to pay such premium to the Insurer whereupon the portion of the Purchase Price payable at the Initial Closing shall be reduced by the amount of such premium and the amount so paid shall be credited to Buyer. After the Initial Closing, Buyer shall be responsible to pay and shall pay all self-insured retention amounts, if applicable to the Environmental Insurance Policy, due or payable with respect to all valid claims made on or against the Environmental Insurance Policy with respect to the Store Properties.

Section 7.13 Specific Performance.

The Parties recognize and agree that if for any reason any of the provisions of this Agreement are not performed in accordance with their specific terms or are otherwise breached, immediate and irreparable harm or injury would be caused for which money damages would not be an adequate remedy. Accordingly, the Parties hereto acknowledge and hereby agree that in the event of any breach or threatened breach by Sellers, on the one hand, or Buyer, on the other hand, of any of their respective covenants or obligations set forth in this Agreement, Sellers, on the one hand, and Buyer, on the other hand, shall be entitled to an injunction or injunctions to prevent or restrain breaches or threatened breaches of this Agreement by the other Parties (as applicable), and to specifically enforce the terms and provisions of this Agreement to prevent breaches or threatened breaches of, or to enforce compliance with, the covenants and obligations of the other (as applicable) under this Agreement. The Parties acknowledge and agree that any Party seeking an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction. The Parties hereto further agree that (a) by seeking the remedies provided for in this Section 7.13, a Party shall not in any respect waive its right to seek any other form of relief that may be available to a Party under this Agreement, including monetary damages and (b) nothing set forth in this Section 7.13 or otherwise shall require any Party hereto to institute any proceeding for (or limit any Party's right to institute any proceeding for) specific performance under this Section 7.13 prior to or as a condition to exercising any termination right under ARTICLE 6 (and pursuing damages after such termination), nor shall the commencement of any legal proceeding pursuant to this Section 7.13 or anything set forth in this Section 7.13 restrict or limit any Party's right to terminate this Agreement in accordance with the terms of ARTICLE 6 or pursue any other remedies under this Agreement that may be available then or thereafter.

Section 7.14 Survival.

The representations and warranties of Sellers and of Buyer contained in this Agreement or in any certificate delivered pursuant hereto (whether or not contained in ARTICLE 2 or ARTICLE 3) with respect to any Store Assets or Corporate Assets shall not survive, and shall terminate at, the applicable Closing in which such Store Assets or Corporate Assets are purchased and sold, and none of the Sellers nor Buyer shall have liability after the Closing with respect to such Store Assets or Corporate Assets for any breach of any of its representations or warranties contained in this Agreement or in any certificate delivered pursuant hereto with respect to such Store Assets or Corporate Assets. The covenants or other agreements of each Seller and of Buyer contained in this Agreement or in any certificate delivered pursuant hereto with respect to any Store Assets or Corporate Assets which are to be performed prior to the applicable Closing in which such Store Assets or Corporate Assets are purchased and sold shall not survive, and shall terminate at, such applicable Closing, and, except as provided in Section 7.9(h), none of the Sellers nor Buyer shall have liability after such applicable Closing for any breach of any such covenant or other agreement contained in this Agreement or in any certificate delivered pursuant hereto. The covenants and other agreements of each Seller and of Buyer contained in this Agreement or in any certificate delivered pursuant hereto with respect to any Store Assets or Corporate Assets which are to be performed after the applicable Closing in which such Store Assets or Corporate Assets are purchased and sold shall survive such applicable

Closing for the period contemplated by their terms (or if no such survival period is contemplated, then indefinitely). In furtherance of the foregoing, in no event shall Sellers have any liability with respect to the truth or accuracy of any representation or warranty or the performance of any covenant or other agreement (to the extent to be performed prior to the applicable Closing with respect to the applicable Store Assets or Corporate Assets) contained in this Agreement, in each case, to the extent such representation, warranty, covenant or agreement relates to any Store Assets or Corporate Assets, after the applicable Closing has occurred with respect to such Store Assets or Corporate Assets. For the avoidance of doubt, all representation and warranties, and all covenants and agreements to be performed prior to any Closing, shall be deemed terminated upon the occurrence of the final Closing.

Section 7.15 Time of Essence.

With regard to all dates and time periods set forth or referred to in this Agreement, time is of the essence.

Section 7.16 Non-Recourse.

All claims or causes of action (whether in contract or in tort, in law or in equity, by statute or otherwise) that may be based upon, arise out of or relate to this Agreement or the other Transaction Documents, or the negotiation, execution or performance of this Agreement or the other Transaction Documents (including any representation or warranty made in or in connection with this Agreement or the other Transaction Documents or as an inducement to enter into this Agreement or the other Transaction Documents), may be made only against the Persons that are expressly identified as parties hereto and thereto. No Person who is not a named party to this Agreement or the other Transaction Documents, including any past, present or future director, officer, employee, incorporator, member, partner, stockholder, equityholder, controlling person, Affiliate, agent, attorney or representative of any named party to this Agreement or the other Transaction Documents (the “Non-Party Affiliates”) shall have any liability (whether in contract or in tort, in law or in equity, by statute or otherwise, or based upon any theory that seeks to impose liability of an entity party against its owners or Affiliates, including by or through theories of equity, agency, control, instrumentality, single business enterprise, piercing the veil or undercapitalization) for any obligations or liabilities arising under, in connection with or related to this Agreement or the other Transaction Documents (as the case may be) or for any claim based on, in respect of, or by reason of this Agreement or the other Transaction Documents (as the case may be) or the negotiation or execution hereof or thereof; and each Party waives and releases all such liabilities, claims and obligations against any such Non-Party Affiliates. Notwithstanding the foregoing, this Section 7.16 shall be subject to Section 7.9(h).

Section 7.17 Bankruptcy Court Approval.

The Parties acknowledge that this Agreement shall not become effective until it has been approved by the Bankruptcy Court pursuant to the Sale Order.

* * * * *

IN WITNESS WHEREOF, each of the Parties has caused this Asset Purchase Agreement to be duly executed on its behalf as of the day and year first above written.

ALBERTSON'S LLC

By: _____
Name:
Title:

HAGGEN OPERATIONS HOLDINGS, LLC

By: _____
Name:
Title:

HAGGEN OPCO NORTH, LLC

By: _____
Name:
Title:

HAGGEN, INC.

By: _____
Name:
Title:

Exhibit 1.1
Store Properties

Homer ID	Address	City	ST
2086	1800 NE 3rd Street	Bend	OR
2098	1675 W. 18th Avenue	Eugene	OR
2075	8611 Steilacoom Blvd. SW	Tacoma	WA
2081	16199 Boones Ferry Road	Lake Oswego	OR
2102	1690 Allen Creek Road	Grants Pass	OR
2087	61155 S Hwy 97	Bend	OR
2074	14300 SW Barrows Rd	Tigard	OR
2094	1128 N. Miller	Wenatchee	WA
2093	450 N. Wilbur Avenue	Walla Walla	WA
2080	3075 Hilyard St.	Eugene	OR
2120	17171 Bothell Way NE	Seattle	WA
2076	3520 Pacific Ave SE	Olympia	WA
2072	3925 236Th Ave NE	Redmond	WA
2089	17520 SR 9 Southeast	Snohomish	WA
2124	31565 Sr 20 #1	Oak Harbor	WA
11	2814 Meridian	Bellingham	WA
15	757 Haggen Drive	Burlington	WA
17	1406 Lake Tapps Parkway East	Auburn	WA
25	1401 12th Street	Bellingham	WA
29	1313 Cooper Point Road SW	Olympia	WA
43	210 36th Street	Bellingham	WA
53	2900 Woburn Street	Bellingham	WA
55	26603 72nd Avenue NW	Stanwood	WA
57	1301 Avenue D	Snohomish	WA
63	1815 Main Street	Ferndale	WA
67	17641 Garden Way NE	Woodinville	WA
69	2601 East Division	Mount Vernon	WA
71	8915 Market Place NE	Lake Stevens	WA
77	3711 88th Street NE	Marysville	WA

{37638311;310}

DOC ID - 23945890.12 23945890.14

[DOC ID - 23945890.16](#)

Exhibit 1.2
Store Property Subject to Lease Negotiation

Homer ID	Address	City	ST
2074	14300 SW Barrows Rd	Tigard	OR

Exhibit 1.3
Separable Stores

Homer ID	Address	City	ST

Exhibit 1.1(xvii)

Legal Description of Land

LEGAL DESCRIPTION

Real property in the County of Lane, State of Oregon, described as follows:

BEGINNING AT A POINT ON THE WESTERLY LINE OF LOT 3, BLOCK 5, PARK-AIRE SUBDIVISION, AS PLATTED AND RECORDED IN VOLUME 23, PAGE 8, LANE COUNTY OREGON PLAT RECORDS, SOUTH 9° 18' 30" EAST, 98.24 FEET FROM THE NORTHWEST CORNER OF SAID LOT 3, RUNNING THENCE SOUTH 9° 18' 30" EAST 104.82 FEET ALONG THE WESTERLY LINE OF SAID LOT; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT HAVING A RADIUS OF 1106.29 FEET, A CENTRAL ANGLE OF 9° 18' 30", A SEMITANGENT OF 89.90 FEET, AND A LENGTH OF 179.41 FEET, AND CONTINUING ALONG THE WESTERLY LINE OF SAID LOT TO A POINT BEARING SOUTH 7° 06' 56" EAST 84.63 FEET FROM THE LAST DESCRIBED POINT, THENCE SOUTH 89° 10' EAST 157.51 FEET; THENCE NORTH 0° 50' EAST 187.00 FEET, THENCE NORTH 89° 10' WEST 187.67 FEET TO THE POINT OF BEGINNING, IN LANE COUNTY, OREGON.

NOTE: THIS LEGAL DESCRIPTION WAS CREATED PRIOR TO JANUARY 01, 2008.

Exhibit A
Form of Escrow Agreement

[See attached]

{37638311;[310](#)}

DOC ID - [23945890.12](#)
[23945890.14](#)
[DOC ID - 23945890.16](#)

Exhibit B
Closing Schedule

[See attached.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)[23945890.14](#)

[DOC ID - 23945890.16](#)

Exhibit C
Form of Bill of Sale

[See attached.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)
[23945890.14](#)
[DOC ID - 23945890.16](#)

Exhibit D
Form of Assignment and Assumption Agreement

[See attached.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)[23945890.14](#)

[DOC ID - 23945890.16](#)

Exhibit E
Form of Assignment and Assumption of Lease

[See attached.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)
[23945890.14](#)
[DOC ID - 23945890.16](#)

Exhibit F
Form of Specialty Warranty Deed

[See attached.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)[23945890.14](#)
[DOC ID - 23945890.16](#)

Exhibit G
[Reserved.]

{37638311;[310](#)}

DOC ID - [23945890.12](#)[23945890.14](#)
[DOC ID - 23945890.16](#)

Exhibit H
Form of HOH Sublease Termination

[See attached.]

{37638311;10}

DOC ID - 23945890.14

DOC ID - 23945890.16

Exhibit I

Form of IP Assignment Agreement

[See attached.]

[{37638311;10}](#)

[DOC ID - 23945890.14](#)

[DOC ID - 23945890.16](#)

Exhibit ~~H~~^J
Form of Sale Order

[See attached.]