

## **SETTLEMENT AGREEMENT AND RELEASE**

This Settlement Agreement and Mutual Release (the "Agreement") is made and entered into as of November \_\_, 2008, by and between Boscov's, Inc.; Boscov's Investment Company; Boscov's Finance Company, Inc.; Boscov's Department Store, LLC; Boscov's Transportation Company LLC; Boscov's PSI Inc.; SDS Inc.; and Retail Construction & Development, Inc. (collectively, the "Debtors"), as debtors and debtors in possession, on one hand, and BLF Acquisition, Inc. ("BLF"), and the individuals and entities listed on attached Exhibit A (collectively, the "Boscovs/Lakins" and together with BLF and the Debtors, the "Parties").

### **RECITALS**

WHEREAS, each of the Debtors filed a voluntary petition for relief under Chapter 11 of Title 11, United States Code, 11 U.S.C. §§ 101-1532 (the "Bankruptcy Code") in the United States Bankruptcy Court for the District of Delaware (the "Bankruptcy Court") on August 4, 2008 (the "Petition Date") thereby commencing their bankruptcy cases, which are jointly administered in Case No. 08-11637 (KG) (the "Bankruptcy Case").

WHEREAS, prior to the Petition Date, in January 2006, the Debtors commenced the first phase of an integrated transaction that involved a ten-store expansion of the their retail businesses, a restructuring of the company's management, and a recapitalization to fund these ventures.

WHEREAS, as part of their restructuring, the Debtors redeemed preferred and common stock on or about January 27, 2006 and on or about April 26, 2006 (the "Stock Redemptions").

WHEREAS, as part of their continued restructuring efforts, in 2008 certain landlords controlled by the Debtors' shareholders contributed \$20 million to the Debtors in exchange for, among other things, increased rent payments by the Debtors to such entities for the remaining lease terms (the "2008 Transaction" and, together with the Stock Redemptions, the "Shareholder Transactions").

WHEREAS, subsequent to the Petition Date, and contemporaneously with the execution of this Agreement, the Debtors and BLF entered into an Asset Purchase Agreement (the "APA") upon the terms and subject to the conditions set forth therein and as authorized under Sections 105, 363, and 365 of the Bankruptcy Code, pursuant to which the Debtors desire to sell to BLF substantially all of the Debtors' assets (the "Sale").

WHEREAS, the Official Committee of Unsecured Creditors (the "Committee"), on behalf of the Debtors' estates, has investigated the Shareholder Transactions and has notified the Boscov/Lakins that it is the Committee's position that the estates have valid claims against the Boscov/Lakins arising therefrom.

WHEREAS, the Boscov/Lakins dispute that the estates have any valid claims against them and that they have any liability arising from the Shareholder Transactions.

WHEREAS, in order to avoid the expense of litigation, the Parties have agreed to settle the Debtors' alleged claims on the terms set forth in this Agreement.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the premises and the mutual covenants and agreements hereinafter contained, and intending to be bound hereby, the parties hereby agree as follows:

1. **Incorporation of Recitals.** The Recitals set forth above are incorporated by reference.

2. **Conditions Precedent.** This Agreement is conditioned upon the timely satisfaction of the following conditions precedent (except to the extent waived in a writing signed by the Boscovs/Lakins and the Committee):

a. the Debtors execute and deliver to counsel for the Boscovs/Lakins an original APA fully executed by the Debtors;

b. the Bankruptcy Court enters an Order, in form and content satisfactory to the Boscovs/Lakins, approving the APA and authorizing the Debtors to perform thereunder;

c. the Debtors and the Committee shall timely file and serve a joint motion pursuant to Federal Rule of Bankruptcy Procedures 2002 and 9019 for Bankruptcy Court approval of this Agreement;

d. the Bankruptcy Court enters a final order approving this Agreement (the "Approval Order") pursuant to Federal Rule of Bankruptcy Procedure 9019;

e. the Approval Order becomes final and non-appealable; and

f. the Debtors and BLF shall close and consummate the Sale.

3. **Settlement Payments.**

a. **Initial Payment.** After satisfaction of the conditions precedent (to the extent not waived under paragraph 1 above), and in exchange for the releases and other consideration provided in this Agreement, (a) the Boscovs/Lakins shall pay the total sum of Eight Million Dollars (\$8,000,000) (the "Initial Payment") to the Debtors at the Sale closing by wire transfer to the account identified below; *provided, however*, that in no event will the Boscovs/Lakins be required to pay the Initial Payment before counsel for the Boscovs/Lakins receives a completed Form W-9 for the payee.

i. **Allocation of Initial Payment:** The Initial Payment shall be allocated as follow for tax and other purposes: (a) Two Million Dollars (\$2,000,000) shall be considered as payment on the Debtors' claims relating to the 2008 Transaction and (b) Six

Million Dollars (\$6,000,000) shall be considered as payment on the Debtors' claims relating to the Stock Redemptions and any other claims (if any) held or asserted by the Debtors.

b. **Contingent Payments.** After satisfaction of the conditions precedent (to the extent not waived under paragraph 1 above), BLF shall deliver to the Debtors at the Sale closing the "Purchaser Note," as defined in § 1.1 of the APA and in the form attached to the APA as Exhibit C.

4. **Release of Boscovs/Lakins and BLF Entities.** Upon receipt of the Initial Payment, the Debtors, on behalf of themselves and their respective bankruptcy estates, and the Debtors' respective officers, directors, employees, agents, affiliates, representatives, parent corporations, subsidiaries, predecessors, successors, heirs, executors, administrators, attorneys, investment bankers, advisors, transferees, assigns, and successors in interest, and all persons who could claim by or through the Debtors or their estates (collectively, the "Releasing Parties") do hereby forever release and discharge the Releasees from (a) any and all claims, actions, causes of action, suits, debts, dues, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, variances, trespasses, damages, judgments, awards, extents, executions, and demands whatsoever, whether based on federal, state, local, statutory or common law or any other law, rule or regulation (collectively, "Claims"), relating to the Shareholder Transactions, any Releasee's other redemption of stock or other equity interest, the payment of any dividends to any Releasees, any other transfers to or for the benefit of the Releasees, or any obligations incurred to or for the benefit of the Releasees arising prior to or on the date hereof, that have been or could have been asserted in any forum by any of the Releasing Parties in law, in equity, or as a result of any arbitration, which any of the Releasing Parties ever had or now have, whether in their own right or by assignment, transfer or grant from any other person, thing, or entity, upon or by reason of any matter, cause or thing whatsoever against any or all of the Releasees, and (b) all Claims under chapter 5 of the Bankruptcy Code. Notwithstanding the foregoing, the releases granted pursuant to this paragraph 4 shall not release the Releasees from any Claims that may arise under the APA, the documents related thereto and the Purchaser Note, nor shall such releases in any way limit the Debtors' right to enforce this Agreement.

For purposes of this Agreement, the term "Releasees" means, collectively, BLF, Boscovs/Lakins, individually and in their capacities as officers or directors of any of the Debtors and as trustees for the trusts identified in Exhibit A (the "Trusts"), the Trusts, the individuals, beneficiaries of the Trusts, and the entities listed on Exhibit B, and with respect to all of the foregoing, their respective current and former officers, directors, employees, agents, trustees, affiliates, representatives, predecessors, successors, heirs, executors, administrators, attorneys, investment bankers, advisors, transferees, successors and assigns.

5. **Releasing Parties Acknowledgment.** Releasing Parties acknowledge and agree that (a) the releases granted pursuant to paragraph 4 of this Agreement shall be interpreted to insure (among other things) that the Releasees have no liability, directly or indirectly, (a) to the Debtors or their estates for any Claim related to the Shareholder Transactions or (b) to any other entity as joint tortfeasor or otherwise for contribution or indemnity or other Claim related to the Shareholder Transactions. Releasing Parties further acknowledge and agree that it is their intention that the releases granted pursuant to paragraph 4 of this Agreement shall be effective as a bar to all causes of action and demands for monetary relief, including costs, expenses,

attorneys' fees, damages, losses and liabilities of every kind, known or unknown, suspected or unsuspected, relating to the subject matter of the releases. In furtherance of this intention the Releasing Parties knowingly, voluntarily, intentionally and expressly waive, as against the Releasees, any and all rights and benefits conferred by California Civil Code Section 1542 and any law of any state or territory of the United States or principle of common law that is similar to Section 1542. Section 1542 provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM MUST HAVE MATERIALLY AFFECTED HIS SETTLEMENT WITH THE DEBTOR.

In connection with such waiver and relinquishment, the Releasing Parties acknowledge that they are aware that they may thereafter discover facts in addition to or different from those which they know or believe to be true and with respect to the subject matter of this Agreement, but that it is their intention hereby to fully, finally and forever settle and release all matters, disputes, differences, known or unknown, suspected or unsuspected that are within the scope of the releases set forth in this Agreement. This Agreement is intended to include in its effect, without limitation, all claims encompassed within the settlement and releases set forth in this Agreement, including those which the Releasing Parties may not know or suspect to exist at the time of execution of this Agreement, and this Agreement contemplates the extinguishment of all such claims relating to the subject matter of the releases. The releases set forth in this Agreement shall be, and remain in effect as, full and complete releases, notwithstanding the discovery or existence of any such additional or different facts relating to the subject matter of this Agreement.

6. **Release by Boscov/Lakins.** The Boscov/Lakins hereby agree to and hereby waive any right they may have to assert any claim pursuant to section 502(h) for payment relating to the Initial Payment or the Purchaser Note in the Debtors' bankruptcy cases.

7. **Covenant Not to Sue.** The Releasing Parties shall not file, commence or otherwise assert, formally or informally, any claim, cause of action, or other matter released in paragraphs 4 and 5 above, against any of the Releasees.

8. **Time is of the Essence.** Time is of the essence with respect to the satisfaction of the conditions precedent set forth in paragraph 2 above.

9. **No Conflict.** Each Party to this Agreement represents and warrants that this Agreement will not violate or conflict with or cause a breach under any agreement to which such Party or such Party's assets may be bound.

10. **Authority and No Prior or Subsequent Transfer of Claims.** Each person signing this Agreement covenants and warrants to the other party that he or she is fully authorized to sign this Agreement on behalf of the party he or she represents and is fully authorized to bind the party (subject to the Debtors' obtaining entry of the Approval Order) to all of the terms of this Agreement. The Releasing Parties represent and warrant that they have the power and authority (subject to the Debtors' obtaining entry of the Approval Order) to enter into

this Agreement, to bind the entity on whose behalf they are signing, and to carry out their obligations hereunder. The Releasing Parties further represent and warrant that the claims and causes of action released in paragraphs 4 and 5 have not been sold, assigned, granted, transferred, encumbered, or otherwise conveyed in whole or in part. In addition, the Releasing Parties covenant and agree not to sell, assign, grant, transfer, encumber, or otherwise convey in whole or in part those claims and causes of action.

11. **Consultation and Review.** Each Party to this Agreement represents and warrants that, prior to executing this Agreement, such Party has made all such inquiries as deemed reasonably necessary by such Party, and has consulted such professionals and reviewed such documents as such Party deemed reasonably necessary and appropriate to enter into this Agreement and to consummate the transactions contemplated herein.

12. **Survival.** The representations, warranties and covenants contained in this Agreement shall survive the Sale closing and the execution of this Agreement.

13. **Binding Effect.** Upon execution with respect to the Parties obligations to use reasonable efforts to satisfy the conditions precedent set forth in paragraph 2 above, this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns, including any trustee appointed or elected in the Case.

14. **Governing Law.** The interpretation, construction, and performance of this Agreement, and the rights and remedies of the Parties hereunder, shall be governed by the laws of the Commonwealth of Pennsylvania.

15. **Jurisdiction and Venue.** FOR SO LONG AS THE BANKRUPTCY COURT HAS JURISDICTION AND AGREES TO EXERCISE IT, EACH OF THE PARTIES CONSENTS TO THE EXCLUSIVE JURISDICTION OF THE BANKRUPTCY COURT AS TO ANY LITIGATION OR DISPUTE THAT ARISES FROM OR RELATES TO THIS AGREEMENT OR ANY BREACH THEREOF. THEREAFTER, EACH OF THE PARTIES CONSENTS TO THE EXCLUSIVE JURISDICTION AND VENUE OF THE COURTS OF THE COMMONWEALTH OF PENNSYLVANIA AS TO ANY LITIGATION OR DISPUTE THAT ARISES FROM OR RELATES TO THIS AGREEMENT OR ANY BREACH THEREOF.

16. **Compromise and Settlement; Inadmissible.** This Agreement is not an admission of any liability by any of the Parties, but is a compromise, and the settlement and this Agreement shall not be treated as an admission of liability with respect to any claims or causes of action. All communications (whether oral or in writing) between and/or among the Parties, their counsel and/or their respective representatives relating to, concerning or in connection with this Agreement (a) shall be considered part of settlement negotiations under Federal Rule of Evidence 408 and (b) shall be inadmissible in any litigation or court proceeding (other than litigation to enforce the terms of this Agreement).

17. **Jointly Drafted.** This Agreement has been jointly drafted by the Parties and shall not be construed against one party in favor of any other Party by reason of any presumption concerning the Party drafting this Agreement.

18. **Interpretation.** Unless the context of this Agreement clearly requires otherwise, references to the plural include the singular, the singular includes the plural, the part includes the

whole, "including" is not limiting, and "or" has the inclusive meaning represented by the phrase "and/or." The words "hereof," "herein," "hereby," "hereunder," and similar terms in this Agreement refer to this Agreement as a whole and not to any particular provision of this Agreement.

19. **Cooperation.** The Parties agree to cooperate fully and execute any and all necessary supplementary documents and to take all additional steps or actions that may be necessary or appropriate in order to give full force and effect to the terms and intent of this Agreement.

20. **No Implied Waiver; Cumulative Remedies.** No course of dealing and no delay or failure of any party in exercising any right, power or privilege under this Agreement will affect any other or future exercise of any such right, power or privilege or exercise of any other right, power or privilege except as and to the extent that the assertion of any such right power or privilege shall be barred by an applicable statute of limitations; nor shall any single or partial exercise of any such right, power or privilege or any abandonment or discontinuance of steps to enforce such a right, power or privilege preclude any further exercise of such right, power or privilege or of any other right, power or privilege. Any waiver must be in writing and signed by the Party against whom enforcement of such waiver is sought.

21. **Non-Severable.** Absent the Parties' written agreement to the contrary, if any paragraph, section, sentence, clause or phrase contained in this Agreement shall become illegal, null or void, or is determined by a final, non-appealable order entered by a court of competent jurisdiction to be against public policy, for any reason, the entire Agreement shall be null and void.

22. **No Oral Modification.** This Agreement may only be modified by a writing executed by each of the Parties.

23. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but together shall constitute one and the same instrument. Facsimile and .pdf signatures shall be treated in all manner and respects as original signatures.

24. **Fees and Expenses.** Each of the Parties shall be responsible for the payment of such Party's own legal fees and expenses incurred in connection with this Agreement and the transactions contemplated hereunder, except that the prevailing Party shall be entitled to recover actual out-of-pocket expenses and a reasonable attorney's fee if (i) the Court approves this Agreement as presently drafted, and (ii) the prevailing Party is required to use counsel to enforce the terms of this Agreement.

25. **Entire Agreement.** This Agreement sets forth the entire agreement between the Parties regarding the subject matter covered in this Agreement and supersedes any and all prior oral or written communications between the Parties regarding such subject matter.

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**IN WITNESS THEREOF**, the Parties hereto have caused this Agreement to be duly executed as of the day and year set forth in the preamble.

**BOSCOV'S, INC.**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**BOSCOV'S INVESTMENT COMPANY**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**BOSCOV'S FINANCE COMPANY, INC.**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**BOSCOV'S DEPARTMENT STORE, LLC**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**BOSCOV'S TRANSPORTATION COMPANY LLC**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**BOSCOV'S PSI INC.**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**SDS INC.**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

**RETAIL CONSTRUCTION & DEVELOPMENT, INC.**

By: \_\_\_\_\_

Name: Michael J. Hughes

Title: Chief Restructuring Officer

By: \_\_\_\_\_

Edwin A. Lakin, individually, and as  
Trustee for the James H. Holzman 1993  
Trust dated April 6, 1993 f/b/o Joan  
Holzman

By: \_\_\_\_\_

Benjamin S. Weil, individually, and as Trustee  
of the Benjamin S. Weil Grantor Trust dated  
December 1, 1993



By: \_\_\_\_\_  
Kenneth S. Lakin, individually and as Trustee for Riesa E. Lakin, Emily B. Lakin and Nicole Lakin under the Edwin A. Lakin Stock Trust dated December 21, 1989, and the 1990 Edwin A. Lakin Grandchildren's Exclusion Indenture of Trust dated December 24, 1990 for Nicole Lakin, Riesa Lakin and Emily Lakin; as Trustee for Jeremy D. Lakin under the 1992 Edwin A. Lakin Grandchildren's Indenture of Trust dated November 30, 1992; as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Steven A. Goldstein Children's Trust dated December 24, 1990; as Trustee of the Edwin A. Lakin Equalizing Trust for Jeremy D. Lakin; and as custodian under the PA UTMA for Riesa E. Lakin, Emily B. Lakin and Nicole Lakin; as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin

By: \_\_\_\_\_  
Cheryl Walenta, individually and as Trustee under the James H. Holzman 1993 Trust dated April 6, 1993 for Gary Holzman; and as Trustee under the Grantor Retained Annuity Trust of Gary N. Holzman dated June 8, 2005

By: \_\_\_\_\_  
Peter Lakin, individually and as Trustee for Riesa E. Lakin, Jeremy D. Lakin, Emily B. Lakin and Nicole Lakin under the Kenneth S. Lakin Children's Trust dated December 24, 1990; as Trustee for Jeremy D. Lakin under the Kenneth S. Lakin 1992 Trust dated November 30, 1992; as trustees of the 1992 Kenneth S. Lakin Indenture of Trust, dated December 4, 1992 for the benefit of Jeremy D. Lakin; as custodian for Jacob William Holzman under the PA UTMA; as Trustee for Heather Rae Witzel Lakin under the Peter Lakin Children's Trust dated December 12, 1994; and as Trustee under the Edwin A. Lakin Equalizing Trust for Heather R. W. Lakin; as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin

By: \_\_\_\_\_  
Cindy Boscov, individually

By: \_\_\_\_\_  
Eunice Boscov, individually and as Trustee for Ellen Boscov and Meg J. Boscov under the Albert R. Boscov 1982 Indenture of Trust dated December 28, 1982; as Trustee for Ruth B. Aichenbaum, Ellen Boscov and Meg J. Boscov under the Albert R. Boscov 1983 Indenture of Trust dated December 31, 1983; and as Trustee for Ruth B. Aichenbaum and Meg Boscov under the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990

By: \_\_\_\_\_  
Ruth B. Aichenbaum, individually and as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Albert R. Boscov Stock Trust dated December 23, 1989, and the 1990 Albert R. Boscov Grandchildren's Exclusion Indenture of Trust dated December 24, 1990 for David Aichenbaum and Joshua Aichenbaum; as Trustee for Ellen Boscov under the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990; as Trustee under the Grantor Retained Annuity Trust of Ellen Boscov dated May 27, 2005; as Trustee under the Grantor Retained Annuity Trust of Meg J. Boscov dated June 1, 2005; and as custodian under PA UTMA for David B. Aichenbaum and Joshua S. Aichenbaum

By: \_\_\_\_\_  
Amy R. Boscov, individually and as Trustee for Heather R. Witzel Lakin under the Peter Lakin Annual Exclusion Trust dated December 15, 1995; as Trustee for Daniel S. Boscov Ellen and Lisa A. Boscov Ellen under the Joseph L. Boscov Grandchildren's Exclusion Indenture of Trust dated December 28, 1989; as Trustee of the Daniel Scott Boscov-Ellen Trust U/T/A, the Julia Eve Boscov-Ellen Trust U/T/A, and the Lisa Ann Boscov-Ellen Trust U/T/A, all dated November 5, 1997; and as Trustee for Julia Eve Boscov Ellen under the Julia Eve Boscov Ellen Trust dated February 18, 1997

By: \_\_\_\_\_  
Steven A. Goldstein, individually and as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Alma Lakin Stock Trust dated December 21, 1989, and under the 1990 Alma Lakin Grandchildren's Exclusion Indenture of Trust dated December 24, 1990; as Trustee for the 1997 Peter and Dawn Lakin Trust dated October 17, 1997; and as custodian under PA UTMA for Aaron M. Goldstein and Jonathan D. Goldstein; as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin

By: \_\_\_\_\_  
Meg J. Boscov, individually and as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Ruth B. Aichenbaum Children's Trust dated December 24, 1990; as Trustee for Jonah Paul Boscov-Brown and Chloe S. Boscov Brown under the Albert R. Boscov 1995 Grandchildren's Trust dated December 24, 1995; and as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov Children's Trust dated November 18, 1996

By: \_\_\_\_\_  
Ellen Boscov, individually as and Trustee for Amelia X. Orzech under the 1998 Albert R. Boscov Grandchildren's Trust dated December 4, 1998; and as Custodian under PA UTMA for Jonah P. Boscov Brown

By: \_\_\_\_\_  
Maralyn S. Lakin, individually and as Trustee for Riesa E. Lakin, Jeremy D. Lakin, Emily B. Lakin and Nicole Lakin under the Kenneth S. Lakin Children's Trust dated December 24, 1990; as Trustee for Jeremy D. Lakin under the 1992 Kenneth S. Lakin Trust dated November 30, 1992; as Trustees of the 1992 Kenneth S. Lakin Indenture of Trust, dated December 4, 1992 for the benefit of Jeremy D. Lakin as Trustee for Maralyn Goldstein under the Edwin A. Lakin 1982 Indenture of Trust dated December 28, 1982; and as Trustee for Maralyn Goldstein under the Edwin A. Lakin 1990 Trust dated December 24, 1990

By: \_\_\_\_\_  
Shirley K. Boscov, individually and as Trustee of both the Joseph L. Boscov Revocable Trust and the Shirley K. Boscov Revocable Trust, both dated November 5, 1997

By: \_\_\_\_\_  
Nancy E. Goldstein, individually and as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Steven A. Goldstein Children's Trust dated December 24, 1990

By: \_\_\_\_\_  
James S. Boscov, individually and as Trustee of the Benjamin S. Weil Grantor Trust dated December 1, 1993; as Trustee under the Joshua J. Weil Grantor Trust dated December 31, 1998; as Trustee under the Rachel Boscov Trust U/T/A dated November 5, 1997; and as Trustee under the Grantor Retained Annuity Trust of Shirley K. Boscov dated May 4, 2005

By: \_\_\_\_\_  
Terence H. Ellen, individually and as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov 1997 Trust dated November 25, 1997

By: \_\_\_\_\_  
Michael N. Aichenbaum, individually and as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Ruth B. Aichenbaum Children's Trust dated December 24, 1990

By: \_\_\_\_\_  
Michael Zarin, individually and as Trustee for Rachel Meredith Lee Boscov under the James S. Boscov Agreement of Trust dated May 4, 1992

By: \_\_\_\_\_  
Randall E. Brown, individually and as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov Children's Trust dated November 18, 1996; as Trustee for Ellen Boscov and Meg Boscov under the Albert R. Boscov 1982 Indenture of Trust dated December 28, 1982; as Trustee under the Grantor Retained Annuity Trust of Meg J. Boscov dated June 1, 2005; and as Trustee for Ruth B. Aichenbaum, Ellen Boscov and Meg Boscov under the Albert R. Boscov 1983 Indenture of Trust dated December 31, 1983, and the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990 for Meg Boscov, Ellen Boscov and Ruth Aichenbaum

By: \_\_\_\_\_  
Todd Taylor, individually and as Trustee of the Grantor Retained Annuity Trust of Ellen Boscov, dated May 27, 2005

By: \_\_\_\_\_  
Joshua J. Weil, individually and as Trustee  
under the Joshua J. Weil Grantor Trust dated  
December 31, 1998

By: \_\_\_\_\_  
Gary N. Holzman, individually and as Trustee of  
the Jacob William Holzman Trust dated  
December 21, 1994; as Trustee under the James  
H. Holzman 1993 Trust dated April 6, 1993 f/b/o  
Gary Holzman; and as Trustee of the James H.  
Holzman Exempt Generation Skipping Trust for  
Gary N. Holzman

By: \_\_\_\_\_  
Rema Boscov (formerly known as  
Susan Rema Boscov), individually and  
as Trustee for J. Weil and B. Weil  
under the Joseph Boscov  
Grandchildren's Exclusion Ind. Of  
Trust dated December 28, 1989; as  
Custodian under PA UTMA for Lisa  
Ann Boscov Ellen, Julia E. Boscov  
Ellen and Rachel M.L. Boscov; as  
Trustee of the Joshua Weil Trust  
U/T/A, and Benjamin Weil Trust  
U/T/A, both dated November 5, 1997

By: \_\_\_\_\_  
Dawn M. Witzel, individually and as trustee for  
Heather R. Witzel Lakin under the Peter Lakin  
Annual Exclusion Trust dated December 15,  
1995

By: \_\_\_\_\_  
Susan Boscov

By: \_\_\_\_\_  
Alma Lakin, individually and as Trustee for  
Maralyn Goldstein under the Edwin A. Lakin  
1982 Indenture of Trust dated December 28,  
1982; and as for Maralyn Goldstein under the  
Edwin A. Lakin 1990 Trust dated December 24,  
1990

By: \_\_\_\_\_  
Daniel S. Boscov Ellen

By: \_\_\_\_\_  
Maralyn Goldstein

By: \_\_\_\_\_  
Albert Boscov

By: \_\_\_\_\_  
Joan M. Holzman, individually and as Trustee of  
the James H. Holzman 1993 Trust dated April 6,  
1993 f/b/o Joan M. Holzman

By: \_\_\_\_\_  
James S. Boscov

### Exhibit A

- Edwin A. Lakin
- Edwin A. Lakin, as Trustee for the James H. Holzman 1993 Trust dated April 6, 1993 f/b/o Joan Holzman
- Benjamin S. Weil
- Benjamin S. Weil, as Trustee of the Benjamin S. Weil Grantor Trust dated December 1, 1993
- Kenneth S. Lakin
- Kenneth S. Lakin, as Trustee for Riesa E. Lakin, Emily B. Lakin and Nicole Lakin under the Edwin A. Lakin Stock Trust dated December 21, 1989, and the 1990 Edwin A. Lakin Grandchildren's Exclusion Indenture of Trust dated December 24, 1990 for Nicole Lakin, Riesa Lakin and Emily Lakin; as Trustee for Jeremy D. Lakin under the 1992 Edwin A. Lakin Grandchildren's Indenture of Trust dated November 30, 1992; as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Steven A. Goldstein Children's Trust dated December 24, 1990; as Trustee of the Edwin A. Lakin Equalizing Trust for Jeremy D. Lakin; and as custodian under the PA UTMA for Riesa E. Lakin, Emily B. Lakin and Nicole Lakin; as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin
- Cheryl Walenta
- Cheryl Walenta, as Trustee under the James H. Holzman 1993 Trust dated April 6, 1993 for Gary Holzman; and as Trustee under the Grantor Retained Annuity Trust of Gary N. Holzman dated June 8, 2005
- Peter Lakin
- Peter Lakin, as Trustee for Riesa E. Lakin, Jeremy D. Lakin, Emily B. Lakin and Nicole Lakin under the Kenneth S. Lakin Children's Trust dated December 24, 1990; as Trustee for Jeremy D. Lakin under the Kenneth S. Lakin 1992 Trust dated November 30, 1992; as trustees of the 1992 Kenneth S. Lakin Indenture of Trust, dated December 4, 1992 for the benefit of Jeremy D. Lakin; as custodian for Jacob William Holzman under the PA UTMA; as Trustee for Heather Rae Witzel Lakin under the Peter Lakin Children's Trust dated December 12, 1994; and as Trustee under the Edwin A. Lakin Equalizing Trust for Heather R. W. Lakin: as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin
- Cindy Boscov
- Amy R. Boscov
- Amy R. Boscov, as Trustee for Heather R. Witzel Lakin under the Peter Lakin Annual Exclusion Trust dated December 15, 1995; as Trustee for Daniel S. Boscov Ellen and Lisa A. Boscov Ellen under the Joseph L. Boscov Grandchildren's Exclusion Indenture of Trust dated December 28, 1989; as Trustee of the Daniel Scott Boscov-Ellen Trust U/T/A, the Julia Eve Boscov-Ellen Trust U/T/A, and the Lisa Ann Boscov-Ellen Trust U/T/A, all dated November 5, 1997; and as Trustee for

Julia Eve Boscov Ellen under the Julia Eve Boscov Ellen Trust dated February 18, 1997

- Eunice Boscov
- Eunice Boscov, as Trustee for Ellen Boscov and Meg J. Boscov under the Albert R. Boscov 1982 Indenture of Trust dated December 28, 1982; as Trustee for Ruth B. Aichenbaum, Ellen Boscov and Meg J. Boscov under the Albert R. Boscov 1983 Indenture of Trust dated December 31, 1983; and as Trustee for Ruth B. Aichenbaum and Meg Boscov under the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990
- Steven A. Goldstein
- Steven A. Goldstein, as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Alma Lakin Stock Trust dated December 21, 1989, and under the 1990 Alma Lakin Grandchildren's Exclusion Indenture of Trust dated December 24, 1990; as Trustee for the 1997 Peter and Dawn Lakin Trust dated October 17, 1997; and as custodian under PA UTMA for Aaron M. Goldstein and Jonathan D. Goldstein; as Trustee of the Grantor Retained Annuity Trust of Alma N. Lakin
- Ruth B. Aichenbaum
- Ruth Aichenbaum, as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Albert R. Boscov Stock Trust dated December 23, 1989, and the 1990 Albert R. Boscov Grandchildren's Exclusion Indenture of Trust dated December 24, 1990 for David Aichenbaum and Joshua. Aichenbaum; as Trustee for Ellen Boscov under the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990; as Trustee under the Grantor Retained Annuity Trust of Ellen Boscov dated May 27, 2005; as Trustee under the Grantor Retained Annuity Trust of Meg J. Boscov dated June 1, 2005; and as custodian under PA UTMA for David B. Aichenbaum and Joshua S. Aichenbaum
- Maralyn S. Lakin
- Maralyn S. Lakin, as Trustee for Riesa E. Lakin, Jeremy D. Lakin, Emily B. Lakin and Nicole Lakin under the Kenneth S. Lakin Children's Trust dated December 24, 1990; as Trustee for Jeremy D. Lakin under the 1992 Kenneth S. Lakin Trust dated November 30, 1992; as Trustees of the 1992 Kenneth S. Lakin Indenture of Trust, dated December 4, 1992 for the benefit of Jeremy D. Lakin as Trustee for Maralyn Goldstein under the Edwin A. Lakin 1982 Indenture of Trust dated December 28, 1982; and as Trustee for Maralyn Goldstein under the Edwin A. Lakin 1990 Trust dated December 24, 1990
- Shirley K. Boscov
- Shirley K. Boscov, as Trustee of both the Joseph L. Boscov Revocable Trust and the Shirley K. Boscov Revocable Trust, both dated November 5, 1997
- Ellen Boscov



- Ellen Boscov, as Trustee for Amelia X. Orzech under the 1998 Albert R. Boscov Grandchildren's Trust dated December 4, 1998; and as Custodian under PA UTMA for Jonah P. Boscov Brown
- Meg J. Boscov
- Meg J. Boscov, as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Ruth B. Aichenbaum Children's Trust dated December 24, 1990; as Trustee for Jonah Paul Boscov-Brown and Chloe S. Boscov Brown under the Albert R. Boscov 1995 Grandchildren's Trust dated December 24, 1995; and as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov Children's Trust dated November 18, 1996
- Nancy E. Goldstein
- Nancy E. Goldstein, as Trustee for Aaron M. Goldstein and Jonathan D. Goldstein under the Steven A. Goldstein Children's Trust dated December 24, 1990
- Terence H. Ellen
- Terence H. Ellen, as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov 1997 Trust dated November 25, 1997
- Michael Zarin
- Michael Zarin, as Trustee for Rachel Meredith Lee Boscov under the James S. Boscov Agreement of Trust dated May 4, 1992
- James S. Boscov
- James S. Boscov, as Trustee of the Benjamin S. Weil Grantor Trust dated December 1, 1993; as Trustee under the Joshua J. Weil Grantor Trust dated December 31, 1998; as Trustee under the Rachel Boscov Trust U/T/A dated November 5, 1997; and as Trustee under the Grantor Retained Annuity Trust of Shirley K. Boscov dated May 4, 2005
- Todd Taylor
- Todd Taylor, as Trustee of the Grantor Retained Annuity Trust of Ellen Boscov, dated May 27, 2005
- Gary N. Holzman
- Gary N. Holzman, as Trustee of the Jacob William Holzman Trust dated December 21, 1994; as Trustee under the James H. Holzman 1993 Trust dated April 6, 1993 f/b/o Gary Holzman; and as Trustee of the James H. Holzman Exempt Generation Skipping Trust for Gary N. Holzman
- Michael N. Aichenbaum
- Michael N. Aichenbaum, as Trustee for David B. Aichenbaum and Joshua S. Aichenbaum under the Ruth B. Aichenbaum Children's Trust dated December 24, 1990
- Joshua J. Weil

- Joshua J. Weil, as Trustee under the Joshua J. Weil Grantor Trust dated December 31, 1998
- Dawn M. Witzel
- Dawn M. Witzel, as trustee for Heather R. Witzel Lakin under the Peter Lakin Annual Exclusion Trust dated December 15, 1995
- Randall E. Brown
- Randall E. Brown, as Trustee for Lisa Ann Boscov Ellen, Daniel E. Boscov Ellen and Julia E. Boscov Ellen under the Amy R. Boscov Children's Trust dated November 18, 1996; as Trustee for Ellen Boscov and Meg Boscov under the Albert R. Boscov 1982 Indenture of Trust dated December 28, 1982; as Trustee under the Grantor Retained Annuity Trust of Meg J. Boscov dated June 1, 2005; and as Trustee for Ruth B. Aichenbaum, Ellen Boscov and Meg Boscov under the Albert R. Boscov 1983 Indenture of Trust dated December 31, 1983, and the Albert R. Boscov 1990 Indenture of Trust dated December 24, 1990 for Meg Boscov, Ellen Boscov and Ruth Aichenbaum
- Rema Boscov, formerly known as Susan Rema Boscov
- Rema Boscov, formerly known as Susan Rema Boscov as Trustee for J. Weil and B. Weil under the Joseph Boscov Grandchildren's Exclusion Ind. Of Trust dated December 28, 1989; as Custodian under PA UTMA for Lisa Ann Boscov Ellen, Julia E. Boscov Ellen and Rachel M.L. Boscov; as Trustee of the Joshua Weil Trust U/T/A, and Benjamin Weil Trust U/T/A, both dated November 5, 1997
- Alma Lakin
- Alma Lakin, as Trustee for Maralyn Goldstein under the Edwin A. Lakin 1982 Indenture of Trust dated December 28, 1982; and as for Maralyn Goldstein under the Edwin A. Lakin 1990 Trust dated December 24, 1990
- Daniel S. Boscov Ellen
- Maralyn Goldstein
- Susan Boscov
- Joan M. Holzman
- Joan M. Holzman, as Trustee of the James H. Holzman 1993 Trust dated April 6, 1993 f/b/o Joan M. Holzman
- Edwin A. Lakin
- Albert Boscov
- Jacob William Holzman
- Eunice Boscov

## EXHIBIT B

- A S T Limited Partnership, a Pennsylvania limited partnership
- A S T, Inc., a Pennsylvania corporation
- ADE Associates, LP, a Pennsylvania limited partnership
- Agricultural and Horticultural Association of Berks
- AOL/GP, LLC, a Pennsylvania limited liability company
- Associates of Lebanon, L.P., a Pennsylvania limited partnership
- B&L Associates, a Pennsylvania general partnership
- Banjo Buddies, Inc., a Wisconsin corporation
- Berks County Real Estate Associates I, LP, a Pennsylvania limited partnership
- Berks County Real Estate Associates II, LP, a Pennsylvania limited partnership
- Berks County Real Estate Associates III, LP, a Pennsylvania limited partnership
- Berks County Real Estate Associates IV, LP, a New Jersey limited partnership
- Berks County Real Estate Associates V, LP, a Delaware limited partnership
- Berks County Real Estate Associates, Inc., a Pennsylvania corporation
- Berks County Real Estate Associates, LLC, a Pennsylvania limited liability company
- Bing Realty Company, a Pennsylvania general partnership
- Bolago GP, LLC, a Pennsylvania limited liability company
- Bolago Realty Company, a Pennsylvania general partnership
- Bolago Realty Co., L.P., a Pennsylvania limited partnership
- Bosair, LTD., a Pennsylvania limited liability company
- Boscov Department Store, Inc., a Pennsylvania corporation
- Boscov's Department Store, Inc., a Pennsylvania corporation
- Boscov's Department Store, LLC, a Pennsylvania limited liability company
- Boscov's Finance Company, Inc., a Delaware corporation
- Boscov's Investment Company, a Delaware corporation
- Boscov's PSI Inc., a Pennsylvania corporation
- Boscov's Receivables Finance Corp., a Delaware corporation
- Boscov's Transportation Company LLC, a Pennsylvania limited liability company
- Boscov's, Inc., a Pennsylvania corporation
- Christiana Realty Associates, LLC, a Delaware limited liability company
- Directlink Realty GP, LLC, a Pennsylvania limited liability company
- Directlink Realty, L.P., a Pennsylvania limited partnership
- Directlink Technologies Corp., a Pennsylvania corporation
- Exeter Realty Associates, L.P.
- Exeter Realty Company, a Pennsylvania limited partnership
- Exeter Realty Company II, L.P., a Pennsylvania limited partnership
- Exton Realty Associates, L.P., a Pennsylvania limited partnership
- Frederick Realty Associates, LLC, a Delaware limited liability company
- Goggle Works, LLC, a Pennsylvania limited liability company
- Goggle Works Ventures, LP, a Pennsylvania limited partnership
- Goggle Works Tenant, L.P., a Pennsylvania limited partnership
- GWT-GP, Inc., a Pennsylvania corporation

- GWV, LLC, a Pennsylvania limited liability company
- GWV Owners, LP, a Pennsylvania limited partnership
- Hazle, Inc., a Pennsylvania corporation
- Joshir Real Estate Co., a Pennsylvania limited partnership
- LAGO II, LLC, a Pennsylvania limited liability company
- LAGO, L.P., a Pennsylvania limited partnership
- Laureldale Realty Associates. L.P., a Pennsylvania limited partnership
- Lebanon Valley Mall Co., a Pennsylvania limited partnership
- Lebanon Valley Mall Merchants Association, Inc., a Pennsylvania corporation
- Lehigh Valley Realty Associates, LP, a Pennsylvania limited partnership
- LVRA/GP, LLC, a Pennsylvania limited liability company
- LMA General Partner, Inc., a Pennsylvania corporation
- LMA Limited Partnership
- Neversink Realty Associates, a Pennsylvania limited partnership
- Our City-Reading, Inc., a Pennsylvania corporation
- Pax Mall Realty Company, a Pennsylvania general partnership
- Pax Mall Realty Company, L.P., a Pennsylvania limited partnership
- PAX/GP, LLC, a Pennsylvania limited liability company
- Pike Distributors, Inc., a Pennsylvania corporation
- Prizm Asset Management Company, a Pennsylvania corporation
- Prizm Asset Management Loan Company, LLC, a Pennsylvania limited liability company
- Reading Buttonwood Gateway Group, LLC, a Pennsylvania limited liability company
- Reading's Future, LLC, a Pennsylvania limited liability company
- Reading's Future-1, LLC, a Pennsylvania limited liability company
- Reading's Future-2, LLC, a Pennsylvania limited liability company
- Reading's Future-3, LLC, a Pennsylvania limited liability company
- Retail Construction & Development, Inc., a Pennsylvania corporation
- Scranton Acquisition Corp., a Pennsylvania corporation
- Scranton Acquisition. L.P., a Pennsylvania limited partnership
- Scranton Mall Associates, a Pennsylvania limited partnership
- SDS. Inc., a Pennsylvania corporation
- SMG/GP, Inc., a Pennsylvania corporation
- Steamtown Mall Partners, L.P., a Pennsylvania limited partnership
- Travelcenter, Inc., a Pennsylvania limited corporation
- TrisTar Products, Inc., a Pennsylvania corporation
- Venture, LP, a Pennsylvania limited partnership
- Westminster Realty Associates, LLC, a Delaware limited liability company
  
- Griffin Financial Group LLC
- Klehr, Harrison, Harvey, Branzburg & Eilers LLP
- Reed Smith LLP
- Reinsel Kuntz Leshner LLP
- Saul Ewing LLP

- Stevens & Lee P.C.
- National City Capital Markets

- Albert R. Boscov
- Edwin A. Lakin
- Kenneth S. Lakin
- Burton Krieger
- Russell C. Dichm
- Alma Lakin
- Peter Lakin
- John P. Garniewski, Jr.

- Euincc Boscov
- Ken Brennan
- Cheryl M. Boyce

- Michael J. Hughes
- Donald J. Bromley
- Christopher C. Jones

- Bart Litvin
- Samuel Flamholz
- Edward McKeaney
- Larry Bergman
- Ed Elko
- John Hlis
- Tyrone Javier
- Maralyn Lakin
- Derrick Luppino
- Joe McGrath
- Brian Nugent
- Jack Roach
- Harry Roberts
- Dean Sheaffer
- John Young
- Gary Boyer
- Steve Bonner
- Ben Bowers
- Mike Buzan
- Carlton Chilcoat

- Jo Cohn
- Dorothy Fix
- Paulette Force

- Steve Gelb
- Thomas Karch
- Joe Keeney
- Kim Kolakowski
- Raymond Douglas
- Joseph Fabrizio
- Robert Oppenheimer
- Thomas Crystal
- Jack Roach
- Ed Ciancarelli
- Frank Krandel
- Jim Matthews
- Jeff Mitgang
- Dominic Murgido
- Tony Primm
- Barry Shaak
- Curtis Snyder
- John Young
- Vivian Stephenson
- Tom Hinkle
- Brian Nugent