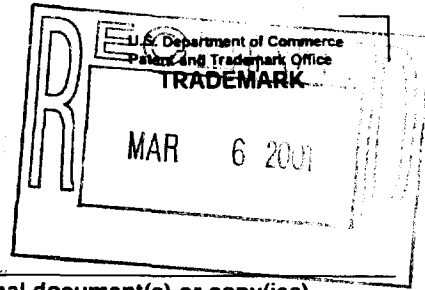


03-26-2001

FORM PTO-1618A
Expires 06/30/99
OMB 0651-0027



101647374



RECORDATION FORM COVER SHEET TRADEMARKS ONLY

TO: The Commissioner of Patents and Trademarks: Please record the attached original document(s) or copy(ies).

3-5-01

Submission Type

- New
- Resubmission (Non-Recordation)
Document ID #
- Correction of PTO Error
Reel # Frame #
- Corrective Document
Reel # Frame #

Conveyance Type

- Assignment
- License
- Security Agreement
- Nunc Pro Tunc Assignment
Effective Date
Month Day Year
- Merger
- Change of Name
- Other

Conveying Party

Mark if additional names of conveying parties attached

Name

Execution Date
Month Day Year

Formerly

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other

Citizenship/State of Incorporation/Organization

Receiving Party

Mark if additional names of receiving parties attached

Name

DBA/AKA/TA

Composed of

Address (line 1)

Address (line 2)

Address (line 3)

City

State/Country

Zip Code

- Individual
- General Partnership
- Limited Partnership
- Corporation
- Association
- Other

If document to be recorded is an assignment and the receiving party is not domiciled in the United States, an appointment of a domestic representative should be attached. (Designation must be a separate document from Assignment.)

Citizenship/State of Incorporation/Organization

FOR OFFICE USE ONLY

Public burden reporting for this collection of information is estimated to average approximately 30 minutes per Cover Sheet to be recorded, including time for reviewing the document and gathering the data needed to complete the Cover Sheet. Send comments regarding this burden estimate to the U.S. Patent and Trademark Office, Chief Information Officer, Washington, D.C. 20231 and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Paperwork Reduction Project (0651-0027), Washington, D.C. 20503. See OMB Information Collection Budget Package 0651-0027, Patent and Trademark Assignment Practice. DO NOT SEND REQUESTS TO RECORD ASSIGNMENT DOCUMENTS TO THIS ADDRESS.

Mail documents to be recorded with required cover sheet(s) information to:
Commissioner of Patents and Trademarks, Box Assignments, Washington, D.C. 20231

TRADEMARK
REEL: 002257 FRAME: 0308

Domestic Representative Name and Address

Enter for the first Receiving Party only.

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Correspondent Name and Address

Area Code and Telephone Number

Name

Address (line 1)

Address (line 2)

Address (line 3)

Address (line 4)

Pages

Enter the total number of pages of the attached conveyance document including any attachments.

#

Trademark Application Number(s) or Registration Number(s)

Mark if additional numbers attached

Enter either the Trademark Application Number or the Registration Number (DO NOT ENTER BOTH numbers for the same property).

Trademark Application Number(s)

Registration Number(s)

<input type="text"/>	<input type="text"/>	<input type="text"/>
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<input type="text" value="1904000"/>	<input type="text" value="1159551"/>	<input type="text" value="2113365"/>
<input type="text" value="1847154"/>	<input type="text" value="1893249"/>	<input type="text" value="390269"/>
<input type="text" value="1653649"/>	<input type="text" value="1326461"/>	<input type="text" value="1191747"/>

Number of Properties

Enter the total number of properties involved.

#

Fee Amount

Fee Amount for Properties Listed (37 CFR 3.41):

\$

Method of Payment:

Enclosed

Deposit Account

Deposit Account

(Enter for payment by deposit account or if additional fees can be charged to the account.)

Deposit Account Number:

#

Authorization to charge additional fees:

Yes

No

Statement and Signature

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document. Charges to deposit account are authorized, as indicated herein.

James Talbot

February 28, 2001

Name of Person Signing

Signature

Date Signed

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

Conveying Party

Enter Additional Conveying Party

Mark if additional names of conveying parties attached

Execution Date
Month Day Year

Name

Formerly

Individual General Partnership Limited Partnership Corporation Association

Other

Citizenship State of Incorporation/Organization

Receiving Party

Enter Additional Receiving Party

Mark if additional names of receiving parties attached

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DBA/AKA/TA

Composed of

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Address (line 2)

Address (line 3)
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Corporation Association

Other

Citizenship/State of Incorporation/Organization

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Mark if additional numbers attached

Trademark Application Number(s)

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Registration Number(s)

1891492	961628	875718
1866538	2094280	2016181
2066915	927516	1899331
961583	064732	427406
872242	1930501	1834134
817482	909392	817567
2197931	2007331	1613089

**RECORDATION FORM COVER SHEET
CONTINUATION
TRADEMARKS ONLY**

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Execution Date
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Mark if additional numbers attached

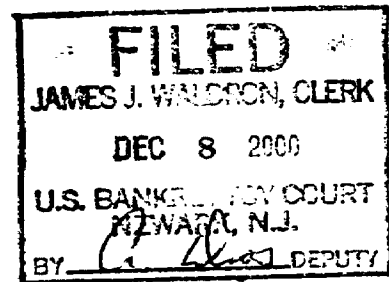
Trademark Application Number(s)

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Registration Number(s)

1354484	855169	1936312
1943359	859005	1854767
1887313	1479798	1876769
1841076	1860129	1851804
696545		

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY



-----X
In re: :
: Chapter 11
THE GRAND UNION COMPANY, :
: :
et al., :
: Case Nos. 00-39613
: through 00-39616 (NLW)
Debtors. :
: Jointly Administered
-----X

ORDER, UNDER 11 U.S.C. §§ 105(a), 363(b), (f), (l)
AND (m), 365, AND 1146(c), AND FED. R. BANKR.
P. 2002, 6004, 6006, and 9014, (A) APPROVING ASSET SALE
AGREEMENT BY AND AMONG THE GRAND UNION
COMPANY, C&S WHOLESALE GROCERS, INC., AND GU
MARKETS LLC, (B) AUTHORIZING (i) SALE OF
SUBSTANTIALLY ALL OF DEBTORS' ASSETS TO
PURCHASER OR ITS DESIGNEE(S), FREE AND CLEAR
OF ALL LIENS, CLAIMS, ENCUMBRANCES AND
INTERESTS AND (ii) ASSUMPTION AND ASSIGNMENT
OF CERTAIN EXECUTORY CONTRACTS, LICENSE
AGREEMENTS AND UNEXPIRED LEASES TO PURCHASER
OR ITS DESIGNEE(S), AND (C) GRANTING RELATED RELIEF

Upon (a) the motion (the "Motion") dated October 16,
2000 of The Grand Union Company ("Grand Union"), Grand Union
Stores, Inc. of Vermont (the "Vermont Debtor"), Grand Union
Stores of New Hampshire, Inc., and Specialty Merchandising
Services, Inc., debtors and debtors in possession (collectively
and together with Grand Union and the Vermont Debtor, the
"Debtors"), (b) the first supplement to the Motion dated October
27, 2000 (the "First Supplement"), (c) the second supplement to
the Sale Motion dated October 31, 2000 (the "Second Supplement"),
and (d) the third supplement to the Motion dated November 20,
2000 (the "Third Supplement"), and the fourth supplement to the
Motion dated November 29, 2000 (the "Fourth Supplement", and

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along with the First Supplement, the Second Supplement, the Third Supplement, and the Fourth Supplement, the "Supplement") (collectively, the Motion and the Supplement, the "Sale Motion") for entry of an order, under 11 U.S.C. §§ 105(a), 363(b), (f), (l) and (m), 365, and 1146(c) and Rules 2002, 6004, 6006 and 9014 of the Federal Rules of Bankruptcy Procedure (the "Bankruptcy Rules"), (A) approving the Asset Sale Agreement (the "Asset Sale Agreement"), dated as of November 12, 2000 (including all related instruments, documents, exhibits, schedules, lists and agreements), by and among Grand Union as seller, C&S Wholesale Grocers, Inc. ("C&S"), and GU Markets LLC as purchaser (including any assignee or designee, "Purchaser"), (B) authorizing (i) the sale (the "Sale") of substantially all of the Debtors' assets and business operations free and clear of all liens, claims, encumbrances, and other interests (except the Post-Closing Permitted Encumbrances (as defined herein), as the case may be, or otherwise expressly stated as obligations of C&S, Purchaser, or the Initial Third Party Purchasers (as defined herein), as the case may be, under the Asset Sale Agreement), pursuant to and as described in the Asset Sale Agreement to C&S, Purchaser or a Third Party Purchaser (as defined in the Asset Sale Agreement), as the case may be, and (ii) the assumption, where applicable, and assignment of certain executory contracts, license agreements and unexpired leases to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, and (C) granting related relief; and upon the Order of this Court dated October 30, 2000, approving the bidding procedures in connection with the Sale and

notice of the hearing with respect to the Sale (the "Bidding Procedures Order"); and hearings having been held on November 30, 2000 and December 8, 2000 in connection with the Sale Motion (together, the "Sale Hearing"); and all parties in interest having been heard or having had the opportunity to be heard, regarding the Transactions (as defined in the Asset Sale Agreement), including without limitation the assumption and assignment of certain executory contracts and unexpired leases; and the Court having considered (w) the Sale Motion, (x) the objection (the "A&P Objection") of the Great Atlantic and Pacific Tea Company, Inc. ("A&P") to the Sale Motion, (y) the other objections to the Sale Motion, (z) the arguments of counsel made and evidence proffered or adduced in support of approval of the Transactions at the Sale Hearing; and it appearing from the affidavits of service filed with the Court that due and sufficient notice of the Sale Motion and the relief granted by this Order, have been provided (the "Notice"); and it further appearing that no other or further notice hereof is required; and upon the affidavits of Mark Gross, the Senior Vice President of C&S, sworn to November 29, 2000, and of Jeffrey Freimark, the President and Chief Executive Officer of each of the Debtors, sworn to November 29, 2000; and upon the Court record of these cases; and the Court having received evidence in support of the approval of the Asset Sale Agreement and the Transactions; and it appearing that the relief requested in the Sale Motion is in the best interests of the Debtors, their estates, creditors, and other parties-in-interest; and for the reasons set forth in the

Court's bench ruling of November 30, 2000, overruling the A&P Objection; and upon the record of the Sale Hearing and these chapter 11 cases including the decision of the Court to approve the Sale Motion, Asset Sale Agreement, and Transactions as reflected on the record of the Sale Hearing; and all capitalized terms used and not defined herein shall have the meanings ascribed to them in the Asset Sale Agreement, as the case may be; and after due deliberation and good and sufficient cause appearing therefor, this Court hereby makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT:

IT IS HEREBY FOUND AND DETERMINED THAT:¹

Jurisdiction, Final Order And Statutory Predicates

A. The Court has jurisdiction to hear and determine the Sale Motion and to grant the relief requested therein, pursuant to 28 U.S.C. §§ 157(b)(1) and 1334(b). This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2)(A), (N) and (O).

B. This Order constitutes a final and appealable order within the meaning of 28 U.S.C. § 158(a). Notwithstanding Bankruptcy Rules 6004(g) and 6006(d), the parties may consummate the Transactions immediately upon entry of this Order. To any extent necessary under Bankruptcy Rule 9014 and Rule 54(b) of the

¹ Findings of fact shall be construed as conclusions of law, and conclusions of law shall be construed as findings of fact when appropriate. See Fed. R. Bankr. P. 7052. Any statements of the Court from the bench at the Sale Hearing shall constitute additional findings of fact and conclusions of law as appropriate and are expressly incorporated by reference into this Order.

Federal Rules of Civil Procedure, as made applicable by Bankruptcy Rule 7054, the Court expressly finds that there is no just reason for delay in the implementation of this Order.

C. The statutory predicates for the relief sought in the Sale Motion are sections 105(a), 363(b), (f), (l) and (m), 365, 1146(c) of title 11 of the United States Code, 11 U.S.C. §§ 101-1330 (as in effect on the date hereof, the "Bankruptcy Code"), as complemented by Rules 2002(a)(2), 6004(a), (b), (c) and (e), 6006(a) and (c) and 9014 of the Bankruptcy Rules.

Retention of Jurisdiction

D. It is necessary and appropriate for the Court to retain jurisdiction to, among others things, interpret and enforce the terms and provisions of this Order and the Asset Sale Agreement, and to adjudicate, if necessary, any and all disputes concerning or relating in any way to the Transactions.

Time Is Of The Essence

E. Time is of the essence in consummating the sale of the Assets, including, but not limited to, the assumption by the Debtors and assignment to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, of the contracts, leases, and licenses as required by the Asset Sale Agreement and not designated or redesignated as Retained Assets. Accordingly, to maximize the value of the Assets, it is essential that the Transactions occur within the time constraints set forth in the Asset Sale Agreement.

Notice of the Sale Motion

F. As evidenced by the affidavits of service previously filed with this Court, (i) proper, timely, adequate, and sufficient notice of the Sale Motion, the Sale Hearing, and the Sale has been provided in accordance with sections 102(1) and 363 of the Bankruptcy Code and Bankruptcy Rules 2002, 6004, and 9014 and in substantial compliance with the Bidding Procedures Order, (ii) such notice was good and sufficient, and appropriate under the circumstances, and (iii) no other or further notice of the Sale Motion, the Sale Hearing, or the Sale shall be required.

G. Actual written notice of the Sale Hearing, the Sale Motion, and the Sale and a reasonable opportunity to object or be heard with respect to the Sale Motion and the relief requested therein has been afforded to all interested persons and entities, including: (i) each of the potential bidders identified by the Debtors; (ii) each party that filed on or before November 7, 2000 a notice of appearance herein; (iii) counsel to the Official Committee of Unsecured Creditors in these chapter 11 cases (the "Creditors' Committee"); (iv) counsel to C&S; (v) the Office of the United States Trustee, (vi) counsel to Lehman Commercial Paper Inc. ("LCPI"), as the agent under the Post-Petition Credit Agreement (as defined herein) (the "Post-Petition Agent") and as administrative agent (the "Pre-Petition Agent") under the Pre-Petition Credit Facility, (vii) all known entities holding or asserting a security interest in or lien against any of the Debtors' assets, (viii) the parties to the Debtors' material executory contracts and unexpired leases that the Debtors'

believe may be subject to assumption and assignment (or rejection), and (ix) all government agencies required to receive notice under the Bankruptcy Rules, by first class United States mail.

H. Written notice of the Third Supplement, which included (a) the Third Supplement descriptive pleading, (b) the Asset Sale Agreement, (c) to parties to Assigned Contracts, the Adequate Assurance Package (as defined in the Third Supplement), (d) a list of stores and the identity of the purchasers presently designated to purchase such stores, (e) a schedule setting forth any cure amounts with respect to any lease or unexpired contracts being assumed and assigned pursuant to the Sale Motion, was mailed on November 20, 2000 to the following entities: (i) each party that has filed a notice of appearance herein; (ii) counsel to the Creditors' Committee; (iii) counsel to C&S; (iv) the Office of the United States Trustee, (v) counsel to the Post-Petition Agent and the Pre-Petition Agent, (vi) all known entities holding or asserting a security interest in or lien against any of the Debtors' assets, (vii) the parties to the Debtors' material executory contracts and unexpired leases that the Debtors' believe may be subject to assumption and assignment (or rejection), and (viii) all government agencies required to receive notice of proceedings under the Bankruptcy Rules, by first class United States mail.

I. Notice of the Sale and the Sale Hearing was published in the National Edition of the *Wall Street Journal* (national edition) and the *Supermarket News* on November 6, 2000,

as described in the affidavits of publication on file with this Court.

Consent of Secured Lenders and Official Committee

J. Subject to the Debtors' compliance with the next paragraph, LCPI, (i) on behalf of itself and as the Pre-Petition Agent for the lenders (the "Pre-Petition Lenders") party to a credit agreement with the Debtors dated as of August 17, 1998 (as amended, the "Pre-Petition Credit Facility") and (ii) as lender (the "Post-Petition Lender") pursuant to a credit agreement dated as of October 3, 2000 (as amended, the "Post-Petition Credit Agreement") consents to the entry of this Order, to the terms and conditions of the Asset Sale Agreement, and to the consummation of the Transactions.

K. Upon the consummation of the Transactions and the payment of the Purchase Price, but subject to and after the establishment and funding of the escrow for cure costs provided in Paragraph 10 below, the Debtors shall repay all of the outstanding obligations under the Post-Petition Credit Agreement and the commitments under such Post-Petition Credit Agreement shall terminate. Subject to further order of this Court regarding the use of the Pre-Petition Lenders' cash collateral (as such term is used in Section 363(a) of the Bankruptcy), the balance of the Purchase Price, after the establishment and funding of the escrow described in Paragraph 10 herein and the repayment described in the previous sentence, shall be held by the Debtors in a segregated account subject to the liens and security interest of LCPI as agent for the Pre-Petition Lenders.

L. The Creditors' Committee supports the entry of this Order and the consummation of the Transactions.

**Good Faith of C&S, Purchasers
and Initial Third Party Purchasers**

M. Neither C&S nor Purchaser is affiliated with the Debtors. None of the Third Party Purchasers disclosed on Exhibit "A" hereto (the "Initial Third Party Purchasers") is affiliated to the Debtors. C&S and Grand Union are parties to the Previous Supply Agreement and the Interim Supply Agreement.

N. The terms of the Transactions, as set forth in the Asset Sale Agreement, are fair and reasonable under the circumstances of these chapter 11 cases.

O. Each of C&S, Purchaser and the Initial Third Party Purchasers negotiated the terms and conditions of the respective Transactions in good faith and at arm's length, is entering into the Transactions in good faith and is a good faith purchaser within the meaning of section 363(m) of the Bankruptcy Code, and is therefore entitled to the protections afforded thereby. Each of C&S, Purchaser and the Initial Third Party Purchasers will be acting in good faith within the meaning of Section 363(m) of the Bankruptcy Code in closing the Transactions at any time after the entry of this Order, including immediately after its entry. The Court has found that each of C&S, Purchaser and the Initial Third Party Purchasers has acted in good faith in all respects in connection with these chapter 11 cases and the Transactions in that, among other things:

(1) they recognized that the Debtors were free to negotiate with any other party that expressed qualified interest in purchasing its assets;

(2) they agreed to subject their bids to the competitive bidding procedures set forth in the Bidding Procedures Order;

(3) they in no way induced, caused, or required the commencement of the chapter 11 filings of the Debtors;

(4) all payments to be made by Purchaser and other agreements or arrangements entered into by Purchaser with Seller or the Initial Third Party Purchasers in connection with the Transactions have been disclosed;

(5) each of C&S, Purchaser and the Initial Third Party Purchasers has disclosed at the Sale Hearing all material written post-Closing employment arrangements with the Debtors' senior management;

(6) none of C&S, Purchaser and the Initial Third Party Purchasers have violated section 363(n) of the Bankruptcy Code by any action or inaction;

(7) no common identity of directors or stockholders exists between any of C&S, Purchaser and the Initial Third Party Purchasers and any of the Debtors; and

(8) the negotiation and execution of the Asset Sale Agreement and all other aspects of the Transactions were conducted in good faith.

No Collusion

I. Neither A&P nor any other objecting party has demonstrated that C&S, Purchaser and/or the Initial Third Party Purchasers have (i) failed to negotiate the Asset Purchase Agreement or the terms and conditions of the related documents and the Transaction in good faith and at arm's length, or (ii) violated section 363(n) of the Bankruptcy Code or any applicable bankruptcy or non-bankruptcy law by any action or inaction. The sale price to be paid by Purchaser was not controlled by an agreement among potential bidders at such sale. Prior to the commencement of these cases, C&S disclosed to the Debtors and the Pre-Petition Agent the fact that any C&S bid would likely include retail-participants who would not be bidding individually for the Assets. Each of the Debtors and the Pre-Petition Agent encouraged a C&S bid with joint retailer-bidders and believed it would maximize the consideration and certainty of closing for the estates. Prior to the bid deadline of November 13, 2000, C&S and Purchaser disclosed to the Debtors, the Creditors' Committee and the Post-Petition Agent the identity of the Initial Third Party Purchasers. Prior to the conclusion of the Auction, and in the Third Supplement, the identities of the Initial Third Party Purchasers, were disclosed to all bidders and parties present at the Auction. C&S and Purchaser have disclosed their intent to designate certain Assets to be assigned and transferred directly to, as the case may be, Initial Third Party Purchasers, Subsequent Third Party Purchasers (as defined herein), and Post-Closing Third Party Purchasers (as defined herein). No secret or collusive agreement existed among C&S, Purchaser and/or any such

Third Party Purchasers; further, the purpose of Asset Purchase Agreement and the agreements between C&S and the Initial Third Party Purchasers was not to control the price paid at the auction. The disclosure of these agreements was open and notorious. The Transactions may not be avoided, and no damages may be assessed against C&S, Purchaser, any Initial Third Party Purchaser or any other party, under section 363(n) of the Bankruptcy Code or any other applicable bankruptcy or non-bankruptcy law. In addition to the foregoing, reference is made to this Court's findings, determinations and conclusions regarding A&P's objections as set forth on the record at the hearing held on November 30, 2000, which findings, determinations and conclusions are incorporated herein as if fully set forth.

Marketing Efforts Leading to Asset Sale

J. In March of 2000, Grand Union retained Merrill Lynch, Pierce, Fenner & Smith, Inc. ("Merrill") as its exclusive financial advisor to explore strategic alternatives. After consultation, and in cooperation with management, Merrill selected marketing materials from public and privately available data to be used by Merrill and the Debtors for the marketing process, and assembled certain additional relevant and material information regarding the Debtors' business in a room at the Debtors' corporate divisional office in Lodi, New Jersey (the "Data Room").

K. Merrill and the Debtors identified and targeted the most likely and qualified acquirors for the Debtors or the Assets. Merrill contacted twenty-six (26) potential strategic or

financial acquirors, all of whom had been identified by Merrill and the Debtors as possibly being interested in such a transaction. Of the twenty-six (26) parties contacted, twenty-three (23) (including C&S) executed confidentiality agreements and were provided with a copy of the marketing materials and invited to visit the Debtors' headquarters to meet with management and to review the information in the Data Room.

L. Thirteen (13) of the twenty-three (23) parties that executed confidentiality agreements (including C&S) accepted such invitations, and during August, September and October 2000 continued their due diligence investigations of the Debtors' business by visiting corporate headquarters of the Debtors, where they met with the Debtors' management and reviewed the information in the Data Room. Each was invited by Merrill on behalf of the Debtors to submit a formal proposal to acquire the Debtors.

M. After evaluating the terms of each of the ten (10) proposals for all or part of the Debtors' Business, the Debtors' board of directors recommended that Merrill and the Debtors further pursue all proposals (including the proposal of C&S). During discussions with C&S, the Debtors commenced these chapter 11 cases, filed the Sale Motion, scheduled the Auction, and obtained the Bidding Procedures Order. As of November 12, 2000, the parties entered into the Asset Sale Agreement for the bulk sale of substantially all of the Debtors' assets to Purchaser. On November 13, 2000, the Debtors received Bids from a total of thirty-eight (38) entities. Prior to and through the date of the

Auction, Merrill continued to work with other potential buyers for substantial parts of the Debtors' assets and Business, and encouraged these parties to participate, both individually and collectively, in the bidding and auction process.

The Auction

N. In accordance with the Bidding Procedures Order and the bidding procedures provided thereunder, the Debtors conducted the Auction on November 16, 2000. Approximately 200 people attended the Auction, which lasted in excess of 9 hours. At the Auction, the Debtors considered bids for all of the Assets - whether or not part of the assets to be sold under the Asset Sale Agreement - and offered all such Assets for sale both individually and in bulk. Each bidder was offered opportunities to increase their bids in an effort to obtain the highest or best bids for the Assets. Bidders were permitted to submit both individual and alternative bulk bids. In addition, to ensure that full consideration was given by the estates to all offers and bids, the Debtors considered bids of several persons who had not submitted written bids on Monday, November 13, 2000, which prior bid was required under the Bidding Procedures Order.

O. Based upon the results of the Auction, the Debtors, in consultation with LCPI, as the Post-Petition Agent, and the Creditors' Committee, determined that the bid evidenced by the Asset Sale Agreement with C&S and Purchaser was the highest and best offer for such Assets. None of the Asset Sale Agreement, the Transactions, or C&S's agreements with potential individual bidders chilled or adversely impacted the Auction process.

Highest and Best Offer

P. The Asset Sale Agreement constitutes the highest and best offer for the Assets, and will provide a greater recovery for the Debtors' creditors than would be provided by any other practical and available alternative. The Debtors' determination that the Asset Sale Agreement constitutes the highest and best offer for the Assets constitutes a valid and sound exercise of the Debtors' business judgment.

Q. The Asset Sale Agreement represents a fair and reasonable offer to purchase substantially all of the Debtors' assets under the circumstances of these chapter 11 cases. No other entity has offered to purchase the Assets for greater economic value to the Debtors' estates than Purchaser.

R. The Transactions are not being entered into to escape liability for the estates' debts. The Debtors' estates are unable to satisfy all of the Debtors' debts.

No Fraudulent Transfer

S. The consideration provided by C&S and Purchaser for the Assets pursuant to the Asset Sale Agreement constitutes reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia.

Validity of Transfer

T. The transfer of each of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, is or will be a legal, valid, and effective transfer of the Assets, and vests or will vest C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, with all right, title, and interest of the Debtors to the Assets free and clear of all of the following (collectively, "Encumbrances"): mortgages, security interests, conditional sale or other title retention agreements, pledges, liens (as that term is defined in Section 101(37) of the Bankruptcy Code), judgments, demands, easements, charges, encumbrances, defects, options, rights of way, covenants, claims, rights of first refusal, other Encumbrances (as defined in the Asset Sale Agreement), and restrictions of all kind (including, without limitation, encumbrances (i) that purport to give to any party a right or option to effect any forfeiture, modification or termination of the interest of any Debtor or of C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, in the Assets or (ii) in respect of Taxes) accruing, arising, or relating to a period prior to the Closing, except for the following (collectively, "Post-Closing Permitted Encumbrances"): as to any Real Property Lease, any Encumbrance affecting solely the interest of the landlord thereunder and not the interest of the tenant thereunder.

U. C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, would not have entered into the

Asset Sale Agreement and would not consummate the Transactions contemplated thereby, thus adversely affecting the Debtors, their estates, and their creditors, if the Sale of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, and the assignment of the Assigned Contracts to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, were not free and clear of all Claims (as defined in paragraph 6 below) against the Debtors or their Estates and Encumbrances (except the Post-Closing Permitted Encumbrances, as the case may be, or otherwise expressly stated as obligations of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement), or if C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, would be liable for any of the Retained Liabilities, including, without limitation, those listed in section 2.4 of the Asset Sale Agreement.

Section 363(f) is Satisfied

V. The Debtors may sell the Assets free and clear of all Claims and Encumbrances against the Debtors or their Estates (except the Post-Closing Permitted Encumbrances, as the case may be, or otherwise expressly stated as obligations of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement) because, in each case, one or more of the standards set forth in section 363(f)(1)-(5) of the Bankruptcy Code has been satisfied. Those holders of Claims and Encumbrances, in each case against the Debtors or their Estates, and non-Debtor parties to executory contracts and unexpired leases who did not object, or who withdrew their objections, to the Sale or the Sale Motion are deemed to have consented pursuant to section 363(f)(2) of the Bankruptcy Code. Those holders of such Encumbrances and non-Debtor parties to executory contracts and unexpired leases who did object fall within one or more of the other subsections of section 363(f) and are adequately protected by having their Claims or Encumbrances, if any, in each instance against the Debtors or their Estates, attach to the cash proceeds of the Sale ultimately attributable to the property in which they allege an interest.

Compelling Circumstances for Immediate Sale

W. The Debtors have demonstrated both (i) good, sufficient, and sound business purpose and justification and (ii) compelling circumstances for the Sale pursuant to section 363(b) of the Bankruptcy Code prior to a chapter 11 plan in that, among other things:

(1) Effective June 30, 2000, the Debtors executed the Third Amendment to the Pre-Petition Credit Facility, which, among other things, adjusted certain of the financial covenants contained in the Pre-Petition Credit Facility and permitted Grand Union to retain a greater portion of the proceeds of asset sales to a specified level. The Third Amendment also required Grand Union to retain a financial adviser for purposes of exploring all strategic alternatives and to retain a consulting firm to assist in the preparation of a business plan. Prior to the Petition Date, Grand Union, together with its investment banker and financial advisors, explored various means of restructuring and recapitalizing its business in order to permit the Debtors to continue their operations.

(2) The Debtors' business and cash flow have deteriorated in the past year. Due to continued competition in the supermarket industry and the need for additional liquidity, the Debtors determined to commence their chapter 11 cases prior to their obtaining a firm bid for the Assets.

(3) The financing provided under the Post-petition Credit Facility does not allow the Debtors to undertake discretionary capital expenditures necessary to maintain and expand the business in the ordinary course. The Post-petition Credit Facility required, inter alia, (i) the Debtors to file a motion to establish bidding procedures for, and authorize the sale of, all or substantially all of the Debtors' assets no later than October 16, 2000, (ii) the entry by this Court of an order approving the bidding procedures no later than 14 days from the

date of such motion, (iii) the Court to enter an order approving the sale of substantially all of the Debtors' assets by December 1, 2000, and (iv) the closing of a sale of substantially all of the Debtors' assets to occur within 45 days from the entry of the sale order (collectively, the "Milestones"). Failure to meet any of the Milestones as scheduled would give rise to an event of default under the Post-petition Credit Facility and, absent a waiver thereof, to an inability to continue to borrow thereunder.

(4) The Debtors can continue to operate their business and preserve the value of the Assets only for a short time. If the Sale and related Transactions were not approved and consummated promptly, the Debtors would exhaust the financing available under the Post-petition Credit Facility, and the Debtors' business could deteriorate to the point where Purchaser could terminate the Asset Sale Agreement, thereby potentially consigning the Debtors to a liquidation that would achieve far less value for creditors than the Transactions contemplated by the Asset Sale Agreement or a sale involving a significantly reduced purchase price.

(5) A sale pursuant to section 363(b) of the Bankruptcy Code is the only viable alternative for preserving and capturing the value of the Assets and ensuring the continuation of the Debtors' business. Without the Sale, the Debtors cannot continue to operate their business for the time required to confirm and consummate a plan of reorganization without risking an immediate and material decline in the value of their business and the Assets. Thus, the only way to preserve and maximize

value is to consummate the Sale and sell the Assets pursuant to section 363(b) of the Bankruptcy Code, thereby ensuring an orderly and equitable sale process and distribution of proceeds.

(6) A sale of the Assets at this time to Purchaser would result in the highest possible purchase price therefor. As each day passes, the Debtors are constrained from funding capital expenditures and new operating projects. Moreover, the Debtors are required under an agreement with the Post-Petition Lender to obtain Court approval of the Sale on or before December 8, 2000.

(7) Subject to the terms of Paragraphs K, 8 and 10 hereof, the cash proceeds of the Sale will be distributed to the Debtors' administrative, secured, and unsecured creditors either prior to or under the terms of a liquidating chapter 11 plan and in accordance with the provisions of the Bankruptcy Code, or as otherwise agreed.

No Successor Liability

H. Except as expressly set forth in the Asset Sale Agreement, the (i) transfer of the Assets to C&S, Purchaser, and the Initial Third Party Purchasers, as the case may be, and (ii) assumption and assignment to C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, of the Assigned Contracts and the assumption of the Assigned Contracts and Assumed Liabilities by C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, do not and will not subject any of C&S, Purchaser, or the Initial Third Party Purchasers to any liability by reason of such transfer under (i) the laws of the United States, any state, territory, or possession thereof, or the District of Columbia, based, in whole or in part, directly or indirectly, including, without limitation, any theory of antitrust, environmental, successor or transferee liability, labor law, *de facto* merger, or substantial continuity or (ii) any employment contract, understanding or agreement, including without limitation collective bargaining agreements, employee pension plans, or employee welfare or benefit plans.

(1) Those of the Debtors' employees who are to be retained by C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, are being hired under new employment contracts and/or other employment arrangements to be entered into or to become effective at or after the time of the Closing. As set forth in the Asset Sale Agreement, neither C&S, Purchaser, nor the Initial Third Party Purchasers is assuming any of the Debtors' obligations to its employees (including without

limitation any obligations under the Debtors' collective bargaining agreements), except as may be part of the Assumed Liabilities or pursuant to the Interim Operating Agreement under which the Debtors will use their best efforts to assist C&S and Purchaser in the post-Closing operation of the Business.

(2) No common identity of incorporators, officers, directors or material stockholders exists among C&S, Purchaser, or the Initial Third Party Purchasers, on the one hand, and the Debtors, on the other.

(3) C&S, Purchaser, and the Initial Third Party Purchasers are not purchasing all of the Debtors' assets. They are not purchasing a number of the Debtors' leases and contracts, certain of the Debtors' owned real estate or any of the Debtors' capital stock, non-union pension assets, qualified or non-qualified pension assets, funds, or plans, collective bargaining agreements, claims or causes of action arising under sections 542, 543, 544, 545, 547, 548, 549, 551 or 553 of the Bankruptcy Code (except for the claims of the estate(s), if any, against C&S or Purchaser), insurance rights or claims not related to the Assets or the Assumed Liabilities or other Retained Assets.

Transfer Taxes

D. The transfer of the Assets to C&S, Purchaser (or its designee), or the Initial Third Party Purchasers, as the case may be, is a transfer pursuant to section 1146(c) of the Bankruptcy Code and accordingly shall not be taxed under any law imposing a stamp tax or a sales, use, transfer, duty, value added, or any other similar tax, including without limitation any bulk sales tax. The Asset Sale Agreement contemplates additional transfers after Closing from C&S or Purchaser to additional Third Party Purchasers. Accordingly, the exemption from certain taxes and fees provided for in this paragraph will also apply to any transfer or assignment of Assets to a Post-Closing Third Party Purchaser that occurs within 180 days after Closing.

MISCELLANEOUS

E. FB Carlstadt L.L.C. ("FBC") filed Objections dated November 8 and 20, 2000 (the "FBC Objection") to the Sale Motion with respect to assumption and assignment of that certain lease agreement between FBC and The Grand Union Company dated January 29, 1999, as amended (the "FBC Lease") for premises located in Carlstadt, New Jersey, asserting, inter alia, that the FBC Lease was terminated prior to the filing of Debtors' Chapter 11 petitions. All issues raised in the FBC Objection relative to termination of the FBC Lease have been adjourned to January 18, 2001 at 10 A.M. (the "Adjourned FBC hearing"), and, unless and until this Court determines that the FBC Lease has not previously been terminated the FBC Lease is not subject to any of the Findings of Fact or Conclusions of Law contained in this Order

General Provisions

1. The relief requested in the Sale Motion is granted and approved in all respects, and the Transactions contemplated thereby is hereby approved in all respects.

2. For the reasons set forth on the record on November 30, 2000, the A&P Objection is overruled in its entirety. All other objections to the Sale Motion or the relief requested therein that have not been withdrawn, waived, or settled, and all reservations of rights included in such objections, are overruled on the merits.

Approval of Asset Sale Agreement

3. The Asset Sale Agreement and all of the terms and conditions thereof are hereby approved in their entirety and, to the extent of any conflict or inconsistency between the provisions of this Order and the terms and conditions of the Asset Sale Agreement, as between the Debtors and C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, the Asset Sale Agreement shall govern and control

4. Pursuant to Section 363(b) of the Bankruptcy Code, the Debtors are authorized and empowered to take any and all actions necessary or appropriate to (i) (a) consummate the assumption and assignment of each of the Assigned Contracts to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, and (b) consummate the Sale of each of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, pursuant to and in accordance with the terms and conditions of the Asset Sale Agreement, (ii) close the

Transactions as contemplated in the Asset Sale Agreement and this Order, and (iii) execute and deliver, perform under, consummate, implement and close fully the Asset Sale Agreement together with all additional instruments and documents that may be reasonably necessary or desirable to implement the Asset Sale Agreement and the Transactions, and to take all further actions as may be reasonably requested in accordance with the Asset Sale Agreement by C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, for the purpose of assigning, transferring, granting, conveying, and conferring to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, or reducing to possession, the Assets, or as may be reasonably necessary or appropriate to the performance of the obligations as contemplated by the Asset Sale Agreement.

5. The terms and provisions of this Order shall be binding in all respects upon the Debtors, any trustees thereof, their estates, all creditors and shareholders of any of the Debtors, all interested parties, and their respective successors and assigns, including, but not limited to, all non-Debtor parties to the contracts, leases and licenses which may be assigned to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement.

Transfer of the Assets

6. Pursuant to sections 105(a) and 363(f) of the Bankruptcy Code, the Assets shall be transferred to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, and upon Closing of the Asset Sale Agreement shall be free and clear of (a) all Encumbrances (as defined in paragraph Y above) except the Post-Closing Permitted Encumbrances, as the case may be, or otherwise expressly stated as obligations of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement, and (b) any and all claims (as that term is defined in Section 101(5) of the Bankruptcy Code), obligations, demands, guaranties, options, debts, obligations, rights, contractual commitments, restrictions, interests and matters of any kind and nature, whether arising prior to or subsequent to the commencement of these chapter 11 cases, and whether imposed by agreement, understanding, law, equity or otherwise (including, without limitation, claims and encumbrances (i) that purport to give to any party a right or option to effect any forfeiture, modification or termination of the Debtors' or interest of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, in the Assets or (ii) in respect of Taxes (other than taxes included in Post-Closing Permitted Encumbrances)) (collectively, "Claims"), in each case accruing, arising or relating to the period prior to the Closing, with all such Encumbrances and Claims to attach to the net proceeds of the Sale in the order of their priority, with the same validity, force and effect that they now have as against the

Assets, subject to any claims and defenses the Debtors and the Debtors' estates may possess with respect thereto. To the extent provided for in the Asset Sale Agreement, any and all of the Debtors' security deposits or other security held by landlords, lessors and other counterparties to the contracts, leases and licenses that are to be assumed and assigned under the Asset Sale Agreement are being transferred and assigned to, and shall be the property of, C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, from and after the Closing, which transfer and assignment of security deposits, other deposits or other security shall satisfy in full the requirements of Bankruptcy Code section 365(1) for all contracts, leases and licenses assumed and assigned pursuant to this Order and the Asset Sale Agreement.

7. Except as expressly permitted by the Asset Sale Agreement, (i) all persons and entities holding Encumbrances or Claims of any kind and nature accruing, arising or relating to a period prior to the Closing Date with respect to the Assets hereby are barred from asserting such Encumbrances or Claims of any kind and nature against C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, or any of their respective affiliates, stockholders, parent entities, successors, assigns, officers, directors or employees, or the Assets and (ii) C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, shall have no liability or responsibility for any Claim or Encumbrance arising, accruing, or relating to a period prior to Closing.

8. The transfer of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, pursuant to the Asset Sale Agreement constitutes a legal, valid, and effective transfer of the Assets, and vests or shall vest C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, with all right, title, and interest to the Assets free and clear of all Claims and Encumbrances (and such Claims and Encumbrances shall be deemed unconditionally released, discharged, and terminated) except for the Post-Closing Permitted Encumbrances or otherwise expressly stated as obligations of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement.

Assumption and Assignment to Purchaser

9. Pursuant to sections 105(a) and 365 of the Bankruptcy Code, and subject to and conditioned upon the Closing of the Sale, the Debtors' assumption and assignment to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, of the Assigned Contracts is hereby approved, and the requirements of section 365(b)(1) of the Bankruptcy Code with respect thereto are hereby deemed satisfied.

10. Subject to and conditioned upon the occurrence of the Closing, the Debtors are hereby authorized in accordance with sections 365(b) and (f) of the Bankruptcy Code to (i) assume and assign to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, the Assigned Contracts, with C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, being responsible only for the post-Closing liabilities under the

Assigned Contracts and (ii) execute and deliver to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, such assignment documents as may be reasonably necessary to sell, assign and transfer the Assigned Contracts; provided, however, that there shall be no assumption of any such Assigned Contract absent simultaneous assignment thereof hereunder. C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, shall have no liability for the cure of any defaults existing or accruing, arising, or relating to a period prior to the Closing under such Assigned Contracts. Pursuant to sections 365(a), (b), (c) and (f) of the Bankruptcy Code, the Debtors are authorized on or as soon as practicable after the Closing or, in the case of defaults that are the subject of *bona fide* disputes within five Business Days of the effectiveness of a settlement or Final Order of the Bankruptcy Court resolving such disputes, to cure all defaults to the extent required to be cured under section 365 of the Bankruptcy Code, solely at the expense of the Debtors from the Purchase Price. Pending a determination by either agreement or final order of the Bankruptcy Court regarding any disputed amounts required to be cured under section 365 of the Bankruptcy Code in connection with the assumption and assignment of any Assigned Contracts, the Debtors will set aside in escrow, for the benefit of any third party to an Assigned Contract asserting a disputed cure amount, an amount sufficient to satisfy such disputed cure amount, once determined by agreement or an order of the Bankruptcy Court. Such amount to be set aside shall be based upon either a reasonable agreement

between the landlord and the Debtors concerning the disputed amount or such other amount as may be determined by the Court as sufficient to satisfy such disputed amount in the event that the Debtor and the landlord cannot reach a reasonable agreement as to such amount. Subject to further order of this Court regarding the use of the Pre-Petition Lenders' cash collateral (as such term is used in Section 363(a) of the Bankruptcy), the balance of the Purchase Price, after the establishment and funding of the escrow described above in this Paragraph and the repayment described in Paragraph K of the recitals of this Order, shall be held by the Debtors in a segregated account subject to the liens and security interest of LCPI as agent for the Pre-Petition Lenders.

11. Upon the Closing of the Transactions, any and all defaults under the Assigned Contracts shall be deemed cured in all respects with regard to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be. Pursuant to section 365(k) of the Bankruptcy Code, the Debtors shall have no liabilities for any claims arising or relating to or accruing post-Closing under any of the Assigned Contracts.

Anti-Assignment Clauses Are Unenforceable

12. Any provision restricting the assignment of or the effectiveness of any Assigned Contract shall be null, void and of no force and effect in connection with the assignment to C&S, Purchaser, the Initial Third Party Purchasers, the Subsequent Third Party Purchasers, or the Post-Closing Third Party

Purchaser, as the case may be, including without limitation the following provisions:

(i) any provision of any Assigned Contract or any agreement ancillary thereto that purports to prohibit, condition or otherwise restrict the assignment by, as the case may be, the Debtors to C&S, Purchaser, or the Initial Third Party Purchasers, or by C&S or Purchaser to a Post-Closing Third Party Purchaser;

(ii) any provision of any Assigned Contract or agreement ancillary thereto that permits the landlord at any time after Closing to declare a default, terminate, modify or cancel the lease, increase the payments or obligations thereunder (including without limitation increasing the rent), exercise a right (whether based in law, equity, or otherwise) of recapture or termination, require the payment of any fee, impose any penalty, prevent the assignee from exercising any renewal options, seek damages, or seek other relief by reason of (a) the assignment of the lease to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, (b) a change of control of the Debtors or Purchaser, as the case may be, (c) the release of any of the Debtors, C&S or Purchaser, as the case may be, from liability, (d) the premises under the lease going dark during a period after closing not to exceed two hundred and seventy (270) days from Closing to permit C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, to remodel, restock, refixture, and/or change signage at such premises, (e) the discontinuation of operations, interruption of business, tenant remodeling restrictions or minimum sales requirements and/or

similar or related restrictions during the period after Closing not to exceed two hundred and seventy (270) days from Closing to permit C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, to perform remodeling work consistent with the intended use of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, for the applicable premises;

(iii) any provision of any Assigned Contract or agreement ancillary thereto that purports to prohibit, restrict or condition (a) the installation of the standard signs of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be (subject to applicable municipal codes), (b) any and all alterations, additions, improvements (including, without limitation, the front fascia of the premises) deemed necessary by C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, to renovate, construct, furnish, equip and/or conform the premises to one of the standard stores of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, or (c) the operation of the premises under the trade names of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be;

(iv) any provision of any Assigned Contract or agreement ancillary thereto that purports to terminate or modify the applicable agreement (including without limitation by increasing the rental obligations) if any of the Debtors cease to be a party to such agreement; or

(v) any provision that requires a payment to any entity, including without limitation the non-Debtor party, as a

result of, as a condition to, or relating to the transfer or assignment of such agreement.

13. The Assigned Contracts shall be transferred to, and remain in full force and effect for the benefit of, C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, in accordance with their respective terms, notwithstanding any provision in any such Assigned Contract (including, without limitation, those described in paragraph 12 above and sections 365(b)(2) and (f) of the Bankruptcy Code) that prohibits, restricts, or conditions such assignment or transfer.

14. All defaults (or in the case of defaults that are the subject of *bona fide* disputes, to the extent such defaults are agreed to by the Debtors pursuant to a settlement or otherwise determined by Final Order of the Bankruptcy Court resolving such disputes) of the Debtors under the Assigned Contracts arising, accruing or relating to a period prior to the date of the Closing of the Sale (without giving effect to any acceleration clauses or any default provisions of the kind specified in section 365(b)(2) of the Bankruptcy Code) required to be cured under section 365 of the Bankruptcy Code have been or will be promptly cured by the Debtors at or following the Closing and will be deemed to be cured at the Closing with respect to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be. Each of C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, shall have no liability or obligation with respect to such defaults relating to the Assigned Contracts arising, accruing or relating to a period prior to the

date of the Closing of the Sale, except to the extent otherwise expressly provided in the Asset Sale Agreement.

15. Each non-Debtor party to an Assigned Contract is hereby barred and permanently enjoined from asserting against C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, any default, claim or liability existing, accrued, arising or relating to a period prior to the date of the Closing of the Sale.

16. The failure (if any) of the Debtors or C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, to enforce at any time one or more terms or conditions of any Assigned Contract shall not be a waiver of such terms or conditions, or of any of the rights of the Debtors, C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, to enforce each and every term and condition of the Assigned Contracts.

Designation of Subsequent Third Party Purchasers

17. C&S and Purchaser shall have the right to designate additional Third Party Purchasers prior to Closing (other than Initial Third-Party Purchasers, the "Subsequent Third Party Purchasers"). The Debtors, C&S or Purchaser shall provide written notice (the "Subsequent Third Party Purchaser Notice") to the non-Debtor party to an Assigned Contract of the proposed assignment or transfer to a Subsequent Third Party Purchaser, disclose the identity of such Subsequent Third Party Purchaser, and disclose the proposed intended use for the premises. If any such non-Debtor party to an Assigned Contract objects to the

assignment or transfer to a Subsequent Third Party Purchaser based upon grounds of adequate assurance of future performance or cure amounts, such non-Debtor party must file a written objection setting forth the bases for such objection on or before the fifth (5th) Business Day after service of the Subsequent Third Party Purchaser Notice (the "Subsequent Third Party Purchaser Objection Deadline") and serve such objection to be actually received by each of the following parties on or before the Subsequent Third Party Purchaser Objection Deadline: (a) counsel for the Debtors, (b) counsel for C&S, (c) counsel for Purchaser, (d) counsel for the Creditors' Committee, and (e) the Subsequent Third Party Purchaser at the addresses set forth for each such party in the Subsequent Third Party Purchaser Notice. The only grounds for raising an objection to any assignment or transfer to a Subsequent Third Party Purchaser shall be (a) an alleged lack of adequate assurance of future performance under the Assigned Contract related to such assignment or transfer or (b) cure amounts, and no other grounds for objections shall be considered by this Court or may be raised by any such objecting non-Debtor parties or other parties-in-interest. If such non-Debtor party fails to object on or before the Subsequent Third Party Purchaser Objection Deadline to such assignment or transfer, such assignment or transfer shall be deemed binding on such non-Debtor party and any objection to such assignment or transfer shall be forever waived. If either (1) such non-Debtor party fails to object in accordance with the requirements of this paragraph 17 on or before the Subsequent Third Party Purchaser Objection

Deadline or (2) such objection is withdrawn or this Court enters an order overruling any such objection and finds that such Subsequent Third Party Purchaser has shown adequate assurance of future performance with respect to such Assigned Contract, then:

(i) such Subsequent Third Party Purchaser shall be treated as if it were an Initial Third Party Purchaser with respect to such Assigned Contract under this Order for all purposes, including without limitation to receive all of the benefits, protections and privileges of this Order;

(ii) the Debtors shall transfer and assign the applicable Assets directly to such Subsequent Third Party Purchaser at Closing; and

(iii) Each of C&S, Purchaser, and the Initial Third Party Purchasers, if any, relating to such Assigned Contract shall have no liability or obligations with respect to such Assigned Contract to any other person or entity, and the Subsequent Third Party Purchaser who is the assignee or transferee of such Assigned Contract shall be the sole party responsible for the liabilities and obligations under such Assigned Contract arising or relating to the period from and after the Closing Date.

On or before Closing, C&S will file with the Court a list of all Initial Third Party Purchasers and Subsequent Third Party Purchasers.

Post-Closing Designation Rights

18. For a period of 180 days after Closing (and notwithstanding the initial assignment of an Assigned Contract to

C&S or Purchaser on the date of the Closing), C&S and Purchaser shall maintain the right to designate additional Third Party Purchasers (a "Post-Closing Third Party Purchaser"). During such period, if C&S and Purchaser seek to transfer or assign Assets to a Post-Closing Third Party Purchaser, C&S or Purchaser shall provide written notice (the "Post-Closing Third Party Purchaser Notice") to the non-Debtor party to an Assigned Contract of the proposed assignment or transfer to a Post-Closing Third Party Purchaser, disclose the identity of such Post-Closing Third Party Purchaser, and disclose the proposed intended use for the premises. If any such non-Debtor party to an Assigned Contract objects to the proposed assignment or transfer to a Post-Closing Third Party Purchaser based upon grounds of adequate assurance of future performance or post-Closing cure amounts, such non-Debtor party must file a written objection setting forth the bases for such objection on or before the fifth (5th) Business Day after service of the Post-Closing Third Party Purchaser Notice (the "Post-Closing Third Party Purchaser Objection Deadline") and serve such objection to be actually received by each of the following parties on or before the Post-Closing Third Party Purchaser Objection Deadline: (a) counsel for the Debtors, (b) counsel for C&S, (c) counsel for Purchaser, and (d) the Post-Closing Third Party Purchaser at the addresses set forth for each such party in the Post-Closing Third Party Purchaser Notice. The only grounds to object to any assignment or transfer to a Post-Closing Third Party Purchaser shall be either (a) an alleged lack of adequate assurance of future performance under the Assigned

Contract related to such assignment or transfer or (b) post-Closing cure amounts, and no other grounds for objections shall be considered by this Court or may be raised by any such objecting non-Debtor parties or other parties-in-interest. If such non-Debtor party fails to object on or before the Post-Closing Third Party Purchaser Objection Deadline to such assignment or transfer, such assignment or transfer shall be deemed binding on such non-Debtor party and any objection to such assignment or transfer shall be forever waived. If either (1) such non-Debtor party fails to object in accordance with the requirements of this paragraph 18 on or before the Post-Closing Third Party Purchaser Objection Deadline or (2) such objection is withdrawn or this Court enters an order overruling any such objection and finds that such Post-Closing Third Party Purchaser has shown adequate assurance of future performance with respect to such Assigned Contract, then:

(i) such Post-Closing Third Party Purchaser shall be treated as if it were an Initial Third Party Purchaser with respect to such Assigned Contract under this Order for all purposes, including without limitation to receive all of the benefits, protections and privileges of this Order; provided, however, that the Debtors shall have no liability for any post-Closing defaults, cures, or any other post-Closing obligations whatsoever which shall be paid or otherwise satisfied or assumed solely by such Post-Closing Third Party Purchaser;

(ii) C&S or Purchaser, as the case may be, shall transfer and assign the applicable Assets directly to such Post-Closing Third Party Purchaser and such transfer shall be deemed as if it was made directly from the Debtors' estates; and

(iii) Each of C&S, Purchaser, and the Initial Third Party Purchasers, if any, relating to such Assigned Contract shall have no liability or obligations with respect to such Assigned Contract to any other person or entity and the Post-Closing Third Party Purchaser who is the assignee or transferee of such Assigned Contract shall be the sole party responsible for the liabilities and obligations under such Assigned Lease arising or relating to the period from and after the effective date of such assignment or transfer to such Post-Closing Third Party Purchaser (it being understood that the Debtors' liabilities or obligations with respect to such Assigned Contracts ceased after the Closing under the Asset Sale Agreement as provided for above in paragraph 11).

The Court shall retain jurisdiction for 180 days after Closing to hear and determine any applications to designate a Post-Closing Third Party Purchaser. If prior to or at the Closing any Initial Third Party Purchaser or Subsequent Third Party Purchaser shall not have closed in respect of the acquisition of Assets from Purchaser by any such Initial Third Party Purchaser or Subsequent Third Party Purchaser, any such Initial Third Party Purchaser or Subsequent Third Party Purchaser shall be deemed to be a Post Closing Third Party Purchaser and shall be deemed to have

satisfied (i) the requirements for adequate assurance of future performance with respect to any Assigned Contract related to such assignment or transfer, and (ii) all other requirements hereunder, and shall be entitled to all the protections hereunder without the need for the provision of any additional notice, or the provision of any documents relating to adequate assurance of future performance of the need to seek Bankruptcy Court authorization thereof, to any party.

Additional Provisions

19. The consideration provided by Purchaser for the Assets pursuant to the Asset Sale Agreement shall be deemed to constitute reasonably equivalent value and fair consideration under the Bankruptcy Code and under the laws of the United States, any state, territory, possession, or the District of Columbia. The Transactions may not be avoided, and no damages may be assessed against C&S, Purchaser, any Initial Third Party Purchaser or any other party, under section 363(n) of the Bankruptcy Code. =

20. On the date of Closing, each creditor of the Debtors is authorized and directed to execute such documents and take all other actions as may be necessary to release Encumbrances on the Assets, if any, as provided for herein, as such Encumbrances may have been recorded or may otherwise exist.

21. This Order is and shall be binding upon and shall govern the acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds,

administrative agencies, governmental units, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets. All Claims or Encumbrances against the Debtors' estates of record as of the date of this Order shall forthwith be removed and stricken as against the Assets, without further order of the Court or act of any party. For purposes of removing such Encumbrances against the Assets, the Court hereby approves a short-form order, attached hereto as Exhibit "B" for use by C&S, Purchaser or the Initial Third-Party Purchasers (the "Short Form Sale Order"). Upon Closing, the entities listed above in this paragraph are authorized and specifically directed to strike all such recorded Claims and Encumbrances against the Assets as provided for herein from their records, official and otherwise (including those asserted by the Pre-Petition Lenders and the Post-Petition Lender).

22. Each and every federal, state, and local governmental agency, unit or department are hereby directed to accept this Order (or the Short Form Sale Order) as sole and sufficient evidence of the transfer of title of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, and such agency or department may rely upon this Order (or the Short Form Sale Order) in consummating the transactions contemplated by the Asset Sale Agreement.

23. The transfer of the Assets to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, is a transfer pursuant to section 1146(c) of the Bankruptcy Code and accordingly shall not be taxed under any law imposing a stamp tax or a sales, use, transfer, duty, value added, or any other similar tax, including without limitation any bulk sales tax. The exemption from certain taxes and fees provided for in this paragraph shall also apply to any transfer or assignment of Assets provided or contemplated hereunder that occurs within 180 days of Closing.

24. If any person or entity that has filed a financing statement, mortgage, mechanic's lien, lis pendens, or other document or agreement evidencing a Claim or Encumbrance against or Interest in the Assets that are being transferred free and clear, as provided herein, of such Claim or Encumbrance shall not have delivered to the Debtors prior to the Closing, in proper form for filing and executed by the appropriate parties, a termination statement, instrument of satisfaction, release of all such Claims or Encumbrances which such person or entity has with respect to the Assets or otherwise, the Debtors and C&S and Purchaser are hereby authorized to execute and file such statement, instrument, release, or other document on behalf of such person or entity with respect to the Assets.

25. All entities who are presently, or on or before the Closing may be, in possession of some or all of the Assets are hereby directed to surrender possession of the Assets to C&S,

Purchaser, or the Initial Third Party Purchasers, as the case may be, on the Closing at that entity's sole expense.

26. Any amounts that become payable by the Debtors to Purchaser pursuant to the Asset Sale Agreement (a) shall constitute administrative expenses of the Debtors' estate under sections 503(b) and 507(a)(1) of the Bankruptcy Code and (b) shall be paid by the Debtors in the time and manner provided for in the Asset Sale Agreement without further Court order. With respect to amounts that may become due under sections 6.7 or 6.5(b) of the Asset Sale Agreement, the Debtors shall pay such amounts without regard to the liens and security interests of, and prior to the payment of the claims of, the Pre-Petition Lenders and the Post-Petition Lender.

27. Except as expressly provided herein, none of C&S, Purchaser and the Initial Third Party Purchasers are a successor to the Debtors or their estates by reason of any theory of law or equity or as a result of the consummation of the Transactions or otherwise. Except to the extent expressly provided in the Interim Operating Agreement, none of C&S, Purchaser, and the Initial Third Party Purchasers, as the case may be, (i) are assuming any collective bargaining agreement, employee pension, welfare or benefit plan or (ii) shall assume or in any way be responsible for any liability or obligation of the Debtors and/or their estates accruing, arising or relating to a period prior to Closing, except as otherwise expressly provided in the Asset Sale Agreement.

28. Effective on the date of entry of this Order, all entities, including, but not limited to, the Debtors (and/or their respective successors, including any trustees thereof), creditors, employees, unions, former employees and shareholders, administrative agencies, governmental units, secretaries of state, federal, state and local officials, maintaining any authority relating to Environmental, Health and Safety laws, and their respective successors or assigns, shall be permanently and forever barred, restrained and enjoined from commencing or continuing in any manner any action or other proceeding of any kind against C&S, Purchaser or any of the Initial Third Party Purchasers, as the case may be, as alleged successor or otherwise with respect to any Claim or Encumbrance.

29. The terms and provisions of the Asset Sale Agreement, together with the terms and provisions of this Order, shall be binding in all respects upon all entities, including the Debtors, any trustees thereof, their estates, their creditors, their shareholders, and all interested parties, administrative agencies, governmental units, secretaries of state, federal, state and local officials, maintaining any authority relating to Environmental and Safety laws, and their respective successors or assigns, including, but not limited to all non-Debtor parties to the Assigned Contracts which may be assigned to C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, under the Asset Sale Agreement and upon any persons asserting a Lien against or interest in the Debtors' estates or any of the Assets

to be sold and assigned to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be.

30. Nothing contained in any plan of reorganization or liquidation, or order of any type or kind entered in (i) these chapter 11 cases, (ii) any subsequent chapter 7 case into which any such chapter 11 case may be converted, or (iii) any related proceeding subsequent to entry of this order, shall conflict with or derogate from the provisions of the Asset Sale Agreement or the terms of this Order. To the extent any provisions of this Order conflict with the terms and conditions of the Asset Sale Agreement, as between the Debtors and C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, the Asset Sale Agreement shall govern and control. This Order shall be binding upon and enforceable against, among others, the Debtors, their estates and any and all chapter 7 and chapter 11 trustees thereof.

31. The Debtors are authorized to change the Debtors' names as provided under, and to the extent set forth in, the Asset Sale Agreement. The Secretary of State of Delaware is authorized and directed to forthwith accept such name changes and record such changes on its official records.

32. This Court retains jurisdiction, even after the closing of these chapter 11 cases, to:

- (a) interpret, implement and enforce the terms and provisions of this Order and the terms of the Asset Sale Agreement, all amendments thereto and

- any waivers and consents thereunder and of each of the agreements executed in connection therewith;
- (b) protect C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, or any of the Assigned Contracts or Assets against any of the Claims or Encumbrances, as provided herein, including to enjoin the commencement or continuation of any action seeking to impose successor liability, or bulk sale liability;
 - (c) enter orders in aid or furtherance of the Transactions;
 - (d) compel delivery of all Assets to C&S, Purchaser or the Initial Third Party Purchasers, as the case may be;
 - (e) resolve any disputes arising under or related to the Asset Sale Agreement or the Transactions, or to ensure peaceful use and enjoyment of the Assigned Contracts or Assets by C&S, Purchaser or the Initial Third Party Purchasers, as the case may be;
 - (f) adjudicate any and all issues and/or disputes, if any, relating to C&S', Purchaser's or the Initial Third Party Purchasers' or the Debtors' right, title or interest in, to and under the Assigned Contracts or Assets and the proceeds thereof and/or the Asset Sale Agreement;

- (g) adjudicate any and all remaining issues concerning the Debtors' right and authority to assume and assign the Assigned Contracts and the rights and obligations of C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, with respect to such assignment and the existence of any default under any such Assigned Contract;
- (h) adjudicate all issues concerning (alleged) pre-Closing Claims or Encumbrances and any other (alleged) interest(s) in and to the Assets, including the extent, validity, enforceability, priority and nature of all such (alleged) Claims or Encumbrances and any other (alleged) interest(s);
- (i) hear and resolve any application (or disputes or issues relating thereto) to assign or transfer Assets to a Subsequent Third Party Purchaser or a Post-Closing Third Party Purchaser;
- (j) adjudicate any and all issues and/or disputes relating to the Debtors' right, title or interest in the Assets and the proceeds thereof, the Sale Motion and/or the Asset Sale Agreement; and
- (k) re-open the Debtors' chapter 11 case to enforce the provisions of this Order.

12. No bulk sales law or any similar law of any state or other jurisdiction shall apply in any way to the Transactions.

13. Each of C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, shall not be deemed or found to be a joint employer, single-employer, co-employer, or successor employer with any of the Debtors by virtue of the Asset Sale Agreement, the consummation of the Transactions, or the entry of this Order. The assumption and assignment of any Assigned Contract shall not constitute an assumption, either expressed or implied, of any employment or collective bargaining obligations of any of the Debtors under contract or under any statute or common law. Except to the extent expressly provided in the Interim Operating Agreement, each of C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, shall have no obligation to pay wages, severance pay, benefits (including, without limitation, contributions or payments on account of any under-funding or withdrawal liability with respect to any and all pension plans). Any and all notices, if any, required to be given to the Debtors' employees pursuant to the Workers Adjustment and Relocation Notification Act (the "WARN Act"), or any similar federal or state law, shall be the sole responsibility and obligation of the Debtors, and each of C&S, Purchaser or the Initial Third Party Purchasers, as the case may be, shall have no responsibility therefor.

14. The failure specifically to include any particular provision of the Asset Sale Agreement in this Order shall not diminish or impair the efficacy of such provision, it being the intent of this Court that the Asset Sale Agreement and each and

every provision, term, and condition thereof be authorized and approved in its entirety.

15. C&S and Purchaser may consummate the Transactions at any time after entry of the Order (including immediately thereafter) by waiving any and all closing conditions set forth in the Asset Sale Agreement that have not been satisfied and by proceeding to close the Transactions without any notice to the Court, any pre-petition or post-petition creditor of the Debtors and/or any other party in interest.

16. This Order shall be effective immediately upon entry and Bankruptcy Rules 6004(g) and 6006(d) shall not apply.

17. The Transactions are undertaken by C&S, Purchaser, the Initial Third Party Purchasers, the Subsequent Third Party Purchasers and the Post-Closing Third Party Purchasers, as the case may be, in good faith (as that term is used in section 363(m) of the Bankruptcy Code), and C&S, Purchaser, and the Initial Third Party Purchasers, as the case may be, shall continue to be in good faith (as that term is used in section 363(m) of the Bankruptcy Code) by proceeding to close the Transactions, even if such Closing occurs immediately upon entry of this Order. Accordingly, the reversal or modification on appeal of the authorization to consummate the Sale provided herein shall not affect the validity of the Sale to C&S, Purchaser, or the Initial Third Party Purchasers, as the case may be, unless such authorization is duly stayed prior to Closing of the Sale pending such appeal. Each of C&S, Purchaser, and the Initial Third Party Purchasers, as the case may be, is a

purchaser in good faith of the Assets and the Assigned Contracts, and is entitled to all of the protections afforded by section 363(m) of the Bankruptcy Code. Each and every entity is enjoined from commencing or continuing an action seeking relief under section 363(n) of the Bankruptcy Code.

18. The Asset Sale Agreement and any related agreements, documents, or other instruments may be modified, amended, or supplemented by the parties thereto, in a writing signed by such parties in accordance with the terms thereof, without further order of the Court, provided that (a) any such modification, amendment, or supplement is not material and (b) to the extent practicable, notice of any modification, amendment, or supplement should be delivered to counsel for the Creditors' Committee and counsel for the Post-Petition Lender at least five (5) days prior to the effective date of any such modification, amendment, or supplement.

19. The provisions of this Order are non-severable and mutually dependent.

Dated: Newark, New Jersey
~~November~~ 8, 2000
December 8, 2000

Novak L. W. Fildel
UNITED STATES BANKRUPTCY JUDGE

EXHIBIT A

Initial Third Party Purchasers

Shaw's Supermarkets, Inc.,
Pathmark Stores, Inc.,
The Stop and Shop Supermarket Company,
TOPS Markets, LLC,
The Golub Corporation, and
Hannaford Bros. Co.

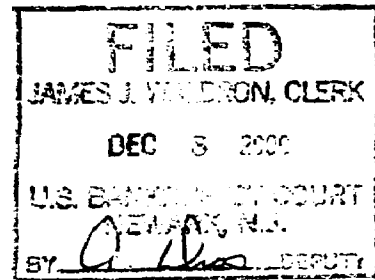


EXHIBIT B
[Short-Form Order]

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEW JERSEY

-----	X	
In re:	:	
	:	Chapter 11
THE GRAND UNION COMPANY,	:	
<i>et al.</i> ,	:	Case Nos. 00-39613
	:	through 00-39616 (NLW)
Debtors.	:	
	:	Jointly Administered
-----	X	

ORDER, UNDER 11 U.S.C. §§ 105(a), 363(b), (f), (l) AND (m), 365, AND 1146(c), AND FED. R. BANKR. P. 2002, 6004, 6006, AND 9014, REGARDING (A) APPROVAL OF ASSET SALE AGREEMENT BY AND AMONG THE GRAND UNION COMPANY, C&S WHOLESALE GROCERS, INC., AND GU MARKETS LLC, AND (B) AUTHORIZATION OF (i) SALE OF SUBSTANTIALLY ALL OF DEBTORS' ASSETS TO PURCHASER OR ITS DESIGNEE(S), FREE AND CLEAR OF ALL LIENS, CLAIMS, ENCUMBRANCES AND INTERESTS AND (ii) ASSUMPTION AND ASSIGNMENT OF CERTAIN EXECUTORY CONTRACTS, LICENSE AGREEMENTS AND UNEXPIRED LEASES TO PURCHASER OR ITS DESIGNEE(S)

TO ALL FILING AND RECORDING OFFICERS:

WHEREAS, on November __, 2000, the United States Bankruptcy Court for the District of New Jersey (the "Court") entered the Order, under 11 U.S.C. §§ 105(A), 363(B), (F), (L) (M), 365, and 1146(C), and Fed. R. Bankr. P. 2002, 6004, 6006, And 9014, (i) Approving Asset Sale Agreement by and Among The Grand Union Company, C&S Wholesale Grocers, Inc., And GU Markets LLC, (ii) Authorizing (a) Sale of Substantially all of Debtors' Assets to Purchaser or its Designee(s), Free and Clear of All Liens, Claims, Encumbrances and Interests and (b) Assumption and Assignment of Certain Executory Contracts, License Agreements and Unexpired Leases to Purchaser or its Designee(s), and (iii) Granting Related Relief (the "Sale Order"). Capitalized terms not defined in this notice have the meanings ascribed to them in the Sale Order.

WHEREAS, pursuant to the Sale Order, this Court approved the (i) the sale of substantially all of Debtors' assets to Purchaser or its designee(s), free and clear of all liens, claims, encumbrances and interests and (ii) the assumption and assignment of certain executory contracts, license agreements and unexpired leases to Purchaser or its designee(s), and (C) granting related relief.

WHEREAS, as set forth in Paragraph 21 of the Sale Order, this Court also approved this short-form order (the "Short-Form Order") for providing a summary order for the matters set forth in the Sale Order for the purpose of, inter alia, filing this order with filing and recording officers to effect the removal of Encumbrances from the Assigned Assets as provided in the Asset Sale Agreement and the Sale Order.

IT IS HEREBY DIRECTED AND DECREED THAT this Short-Form Order (a) is and shall be effective as a determination that (x) as of Closing, all Claims and Encumbrances existing as to the Assets or the Business prior to the Closing have been unconditionally released, discharged and terminated (except for the Post-Closing Permitted Encumbrances, the Assumed Liabilities, or as otherwise expressly stated as obligations of C&S, Purchaser, any of the Initial Third Party Purchasers, any of the Subsequent Third Party Purchasers, or any of the Post-Closing Third Party Purchasers, as the case may be, under the Asset Sale Agreement) and, subject to the provisions of Paragraph 8 and 10 of the Sale Order, all such Claims and Encumbrances shall attach to the proceeds of the Sale with the same force, validity, priority and effect, if any, as such Claims or Encumbrances formerly had against the Assets or Business, and (y) the conveyance described in decretal paragraphs 6 through 8 of the Sale Order has been effected; and (b) is and shall be binding upon and shall govern the acts of all entities including, without limitation, all filing agents, filing officers, title agents, title companies, recorders of mortgages, recorders of deeds, administrative agencies, governmental units, secretaries of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets. All Claims or Encumbrances against the Debtors of record as of the date of this Order shall forthwith be removed and stricken as against the Assets, without further order of the Court or act of any party. Upon Closing, the entities listed above in this paragraph are authorized and specifically directed to strike all such recorded Claims and Encumbrances against the Assets as provided for herein from their records, official and otherwise (including those asserted by the Pre-Petition Lenders and the Post-Petition Lender). Each of C&S, Purchaser, any of the Initial Third Party Purchasers, any of the Subsequent Third Party Purchasers and any of the Post-Closing Third Party Purchasers are hereby authorized to utilize and/or file or record this Order to evidence the matters set forth herein.

IT IS HEREBY DIRECTED AND DECREED THAT each and every filing agent, filing officer, title agent, title company, recorder of mortgages, recorder of deeds, administrative agency, governmental unit, secretary of state, federal, state, and local officials, and all other persons and entities who may be required by operation of law, the duties of their office, or contract, to accept, file, register or otherwise record or release any documents or instruments, or who may be required to report or insure any title or state of title in or to any of the Assets are hereby directed to accept this Short-Form Order (or the Sale Order) as sole and sufficient

evidence of the transfer of title of the Assets to C&S, Purchaser, the Initial Third Party Purchasers, the Subsequent Third Party Purchasers, and the Post-Closing Third Party Purchasers, as the case may be, and such agency, department, person or entity may rely upon this Short-Form Order or the Sale Order in consummating the transactions contemplated by the Asset Sale Agreement.

IT IS HEREBY DIRECTED AND DECREED THAT:

- (a) pursuant to Section 1146(c) of the Bankruptcy Code, the issuance, transfer, or exchange of any security, or the making, delivery, filing, or recording of any instrument of transfer, under the Asset Purchase Agreement, the Sale Order, or this Short-Form Order shall not be taxed under any law imposing a stamp tax, transfer tax, or similar tax.
- (b) Without limiting the generality of subparagraph (a) of this paragraph, the making, delivery, filing, or recording at any time of any deed, bill of sale, mortgage, leasehold mortgage, deed of trust, leasehold deed of trust, memorandum of lease, notice of lease, assignment, leasehold assignment, security agreement, financing statement, and other agreements or instruments related thereto, or other instrument of absolute or collateral transfer required by, or deemed necessary or desirable by the parties to, or the transactions contemplated in the Asset Purchase Agreement, including, but not limited to, the Debtors, C&S, the Purchaser, the Initial Third Party Purchasers, the Subsequent Third Party Purchasers, the Post-Closing Third Party Purchasers, or other parties-in-interest (the "Interested Parties") shall not be so taxed.
- (c) All filing or recording officers, wherever located and by whomever appointed, are hereby directed to accept for filing or recording, and to file or record immediately upon presentation thereof, this Short-Form Order, the Sale Order, all such deeds, bills of sale, mortgages, leasehold mortgages, deeds of trust, leasehold deeds of trust, memoranda of lease, notices of lease, assignments, leasehold assignments, security agreements, financing statements, and other instruments of absolute or collateral transfer without payment of any stamp tax, transfer tax, or similar tax imposed by federal, state, or local law. This Short-Form Order: (i) has the effect of an order of the Court, (ii) constitutes sufficient notice of the entry of the Order to such filing and recording officers, and (iii) is a recordable instrument notwithstanding any contrary provision of nonbankruptcy law.

The Bankruptcy Court specifically retains jurisdiction to enforce the foregoing direction, by contempt or otherwise.

IT IS HEREBY DIRECTED AND DECREED THAT the presentation of this Short-Form Order or the Sale Order by any agent or representative of any member of C&S, the Purchaser, the Initial Third Party Purchasers, the Subsequent Third Party Purchasers or the Post-

Closing Third Party Purchasers in connection with the filing or recording of any of the above-described documents constitutes a certificate by such person that such document is entitled to be filed or recorded in accordance with the Sale Order and this Short-Form Order without payment of any recording tax, stamp tax, transfer tax, or similar tax imposed by federal, state, or local law.

IT IS HEREBY DIRECTED AND DECREED THAT to the extent of any inconsistency between the terms of this Short-Form Order and the Sale Order, the terms of the Sale Order shall control.

Dated: Newark, New Jersey
November __, 2000
December 8, 2000

NOVALYN L WINFIELD

UNITED STATES BANKRUPTCY JUDGE