

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT

CONTRACT ID CODE

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2. AMENDMENT/MODIFICATION NO. P00019	3. EFFECTIVE DATE OCT 06 2002	4. REQUISITION/PURCHASE REQ. NO. N/A	5. PROJECT NO. (If applicable) N/A
6. ISSUED BY DEFENSE SUPPLY CENTER PHILADELPHIA ATTN: DSCP-HFVH 700 ROBBINS AVENUE PHILADELPHIA, PA 19111	CODE SP0102	7. ADMINISTERED BY (If other than Item 6) CODE	

8. NAME AND ADDRESS OF CONTRACTOR (No., street, county, State and ZIP Code) U.S. FOODSERVICE, INC. 7950 SPENCE ROAD FAIRBURN, GA 30213	(X)	9A. AMENDMENT OF SOLICITATION NO.
		9B. DATED (SEE ITEM 11)
	X	10A. MODIFICATION OF CONTRACT/ORDER NO. SPM300-03-D-2966
		10B. DATED (SEE ITEM 13) 01/29/99

CODE 001NR1 FACILITY CODE 001NR1

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.

Offer must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:

(a) By completing Items 8 and 15, and returning _____ copies of the amendment; (b) By acknowledging receipt of this amendment on each copy of the offer submitted; or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

12. Accounting and Appropriation Data (If required)

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS, IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
X	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc). SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF:
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 1 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings, including solicitation/contract subject matter where feasible.)

1. CONTRACT SPM300-03-D-2966 IS HEREBY MODIFIED AS FOLLOWS:

A. IN ACCORDANCE WITH THE ATTACHED NOVATION AGREEMENT, PYA MONARCH IS NOW KNOWN AS U.S. FOODSERVICE, INC..

B. ALL DELIVERIES MADE UNDER CONTRACT SPM300-03-D-2966 ON OR AFTER OCTOBER 6, 2002 WILL BE MADE BY U.S. FOODSERVICE, INC.

C. THE DISTRIBUTION PRICES UNDER CONTRACT SPM300-03-D-2966 WILL REMAIN THE SAME.

Except as provided herein, all terms and conditions of the document referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print)	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print) JANINE SAMONI
15B. CONTRACTOR/OFFEROR (Signature of person authorized to sign)	15C. DATE SIGNED
16B. UNITED STATES OF AMERICA BY <u>Janine Samoni</u> (Signature of Contracting Officer)	16C. DATE SIGNED NOV 12 2002

U. S. FOODSERVICE, INC.

- A. CONTRACT SPM300-03-D-2966 SHALL REMAIN IN FULL FORCE AND EFFECT, EXCEPT AS MODIFIED BY THE NOVATION AGREEMENT.
 - B. ALL OTHER TERMS AND CONDITIONS OF CONTRACT SPM300-03-D-2966 REMAIN UNCHANGED.
2. THE NOVATION AGREEMENT IS ATTACHED AND INCORPORATED INTO THIS MODIFICATION.

NOVATION AGREEMENT

PYA/Monarch, LLC ("PYA/Monarch"), a limited liability corporation duly organized and existing under the laws of Delaware with its principal office in Columbia, MD, U.S. Foodservice, Inc. ("USFT"), a corporation duly organized and existing under the laws of Delaware with its principal office in Columbia, MD, a wholly owned subsidiary of U.S. Foodservice ("USF") and the United States of America ("Government") enter into this Agreement as of Sept. 6, 2002.

(a) The parties agree to the following facts:

- (1) The Government represented by various Contracting Officers of the DSCP has entered into certain contracts with PYA/Monarch, namely: **Contract Nos. SPO30099DZ204, SPO30002D2D2966, SPO30002AED87 and SPM30002D2964 and SPM30002D2965.** The term "the contracts," as used in this Agreement, means the above contracts and purchase orders and all other contracts and purchase orders, including all modifications, made between PYA/Monarch and the Government, before the effective date of this Agreement (whether or not performance and payment have been completed and releases executed if PYA/Monarch or the Government has any remaining rights, duties, or obligations under these contracts and purchase orders). Included in the term "the contracts" are also all modifications made under the terms and conditions of these contracts and purchase orders between the Government and PYA/Monarch, on or after the effective date of this Agreement.
- (2) As of December 4, 2000, USF acquired the stock of PYA/Monarch, thereby making PYA/Monarch a wholly owned subsidiary of USF.
- (3) USFI, now an affiliate of PYA/Monarch, is in a position to fully perform all obligations that may exist under the contracts.
- (4) USFI has agreed to assume all obligations and liabilities of PYA/Monarch under the contracts by virtue of the above stock acquisition.
- (5) It is consistent with the Government's interest to recognize USFI as the successor party to the contracts.
- (6) Evidence of the above transfer has been filed with the Government.

(b) In consideration of these facts, the parties agree that by this Agreement-

- (1) PYA/Monarch confirms the transfer to USFI, and waives any claims and rights against the Government that it now has or may have in the future in connection with the contracts.
- (2) USFI agrees to be bound by and to perform each contract in accordance with the conditions contained in the contracts. USFI also assumes all obligations and liabilities of, and all claims against, PYA/Monarch under the contracts as if USFI were the original party to the contracts. ◦
- (3) USFI ratifies all previous actions taken by PYA/Monarch with respect to the contracts, with the same force and effect as if the action had been taken by USFI.
- (4) The Government recognizes USFI as PYA/Monarch's successor in interest in and to the contracts. USFI by this Agreement becomes entitled to all rights, titles,

and interests of PYA/Monarch in and to the contracts as if USFI were the original party to the contracts. Following the effective date of this Agreement, the term "Contractor," as used in the contracts, shall refer to USFI.

(5) Except as expressly provided in this Agreement, nothing in it shall be construed as a waiver of any rights of the Government against PYA/Monarch.

(6) All payments and reimbursements previously made by the Government to PYA/Monarch, and all other previous actions taken by the Government under the contracts, shall be considered to have discharged those parts of the Government's obligations under the contracts. All payments and reimbursements made by the Government after the date of this Agreement in the name of or to PYA/Monarch shall have the same force and effect as if made to USFI, and shall constitute a complete discharge of the Government's obligations under the contracts, to the extent of the amounts paid or reimbursed.

(7) PYA/Monarch and USFI agree that the Government is not obligated to pay or reimburse either of them for, or otherwise give effect to, any costs, taxes, or other expenses, or any related increases, directly or indirectly arising out of or resulting from the transfer or this Agreement, other than those that the Government in the absence of this transfer or Agreement would have been obligated to pay or reimburse under the terms of the contracts.

(8) PYA/Monarch guarantees payment of all liabilities and the performance of all obligations that USFI-

(i) Assumes under this Agreement; or

(ii) May undertake in the future should these contracts be modified under their terms and conditions. PYA/Monarch waives notice of, and consents to, any such future modifications.

(9) The contracts shall remain in full force and effect, except as modified by this Agreement. Each party has executed this Agreement as of the day and year first above written.

UNITED STATES OF AMERICA

By: Janine Samoni

Title Contracting Officer

PYA/MONARCH, LLC

By: Mark Nottle SR

Title: SR. VICE PRESIDENT

U.S. FOODSERVICE, INC.

By: Mark Natale SVP

Title: SR. VICE PRESIDENT

Certificate

I, Faith Harrison, certify that I am the Assistant Secretary of PYA Monarch, LLC, that Mark Natale, who signed this Agreement for this corporation, was then Senior Vice-President, Business Development of this corporation; and that this Agreement was duly signed for and on behalf of this corporation by authority of its governing body and within the scope of its corporate powers. Witness my hand and the seal of this corporation this day of August 12, 2002.

By: Faith Harrison

Certificate

I, Faith Harrison, certify that I am the Assistant Secretary of U.S. Foodservice, Inc., that Mark Natale, who signed this Agreement for this corporation, was then Senior Vice-President, Business Development of this corporation; and that this Agreement was duly signed for and on behalf of this corporation by authority of its governing body and within the scope of its corporate powers. Witness my hand and the seal of this corporation this day of August 12, 2002.

By: Faith Harrison

PURCHASE AGREEMENT

among

SARA LEE CORPORATION,

U.S. FOODSERVICE

and

KONINKLIJKE AHOLD, N.V.

August 16, 2000

PURCHASE AGREEMENT

PURCHASE AGREEMENT, dated as of August 16, 2000 (this "Agreement"), by and among Sara Lee Corporation, a Maryland corporation ("Seller"), U.S. Foodservice, a Delaware corporation ("Purchaser"), and Koninklijke Ahold, N.V., a public company with limited liability organized under the laws of The Netherlands ("Ahold") (solely with respect to Sections 1.3, 3.1, 3.2, 3.4 and 8.16).

WHEREAS, (i) PYA/Monarch, Inc., a Maryland Corporation ("PYA"), is a wholly-owned subsidiary of the PYA Holdings, LLC, a Delaware limited liability company ("Holdings"), a direct subsidiary of Seller, (ii) D. Canale Food Services, Inc., a Tennessee corporation ("D. Canale"), is a wholly-owned subsidiary of Seller, (iii) Kesterson Companies, Inc., a Tennessee corporation ("Kesterson Companies"), is a wholly-owned subsidiary of Seller and (iv) Kesterson Food Company, Inc., a Tennessee corporation ("Kesterson"), is a wholly-owned subsidiary of Kesterson Companies (PYA, D. Canale, Kesterson Companies and Kesterson are collectively referred to herein as, the "Companies");

WHEREAS, Saramar LLC, a Delaware limited liability company ("Saramar") and direct wholly-owned subsidiary of Seller, is the owner of the Registered Company Intellectual Property (as hereinafter defined);

WHEREAS, Purchaser desires to purchase and, Seller desires to sell, or cause to be sold, directly or indirectly, all of the outstanding capital stock of the Companies (the "Shares") to Purchaser; and

WHEREAS, Ahold shall enter into an Intellectual Property Transfer Agreement in a form reasonably acceptable to both parties (the "Intellectual Property Agreement") with Saramar, pursuant to which Saramar shall sell, transfer, assign and convey to Ahold, and Ahold shall purchase and assume all of Saramar's right, title and interest in and to, the Registered Company Intellectual Property as more particularly set forth therein.

NOW, THEREFORE, in consideration of the foregoing and the representations, warranties, covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound hereby, agree as follows:

ARTICLE I

PURCHASE AND SALE

SECTION 1.1 Purchase and Sale. Upon the terms and subject to the conditions set forth in this Agreement and the Intellectual Property Agreement, at the Closing, Seller shall sell, assign, transfer and deliver to, or cause to be sold, assigned, transferred and delivered to, Purchaser and Purchaser shall purchase the Shares, and Seller will cause to be sold, assigned, transferred and delivered to Ahold, and Ahold shall purchase, the Registered Company Intellectual Property pursuant to the Intellectual Property Agreement, in each case, free and clear of all options, pledges, security interests, liens or other encumbrances or restrictions on voting or transfer ("Encumbrances"), other than, with respect to the Shares, restrictions imposed by Federal or state securities laws.

SECTION 1.2 Purchase Price. On the Closing Date and subject to the terms and conditions set forth in this Agreement and the Intellectual Property Agreement, in reliance on the representations, warranties, covenants and agreements of the parties contained herein and therein and in consideration of the sale, assignment, transfer and delivery of the Shares to the Purchaser pursuant to this Agreement and the Registered Company Intellectual Property to Ahold pursuant to the Intellectual Property Agreement,

(ii) Ahold shall pay to Saramar the Intellectual Property Purchase Price (together with the Shares Purchase Price, the "Purchase Price") by wire transfer of immediately available funds to an account or accounts designated by Seller. For the purpose of this Agreement, "Indebtedness" of any person shall mean, without duplication, (i) all indebtedness determined in accordance with United States generally accepted accounting principles ("GAAP") applied on a consistent basis of such person for borrowed money, (ii) indebtedness incurred to finance the purchase of assets and secured by a lien on such assets, (iii) the face amount of all letters of credit issued for the account of such person and, without duplication, all drafts drawn thereunder, other than the letters of credit identified in Section 2.5 of the Company Disclosure Schedule, (iv) all Indebtedness of a second person secured by any Encumbrances on any property owned by such first person, whether or not such indebtedness has been assumed, and (v) all obliga-

tions of such person pursuant to any lease of any property (whether real, personal or mixed) by that person as lessee which, in conformity with GAAP, is accounted for as a capital lease on the balance sheet of that person, in each case taken at the amount thereof accounted for as liabilities in accordance with GAAP but only to the extent such amounts exceed \$2 million in the aggregate (it being understood that all leases disclosed in the Financial Statements (including the PH&H lease arrangement) shall not be deemed to be capital leases) and (vi) all obligations of such person guaranteeing Indebtedness; provided that Indebtedness shall not include Intercompany Trade Payables as set forth in the Financial Statements or Intercompany Trade Payables incurred after July 1, 2000 in the ordinary course of business and trade payables and accrued expenses payable to unrelated third parties.

SECTION 1.3 Closing.

(a) The sale and purchase of the Shares and the Company Intellectual Property contemplated by this Agreement and the Intellectual Property Agreement shall take place at a closing (the "Closing") to be held at the offices of Skadden, Arps, Slate, Meagher & Flom (Illinois) at 10:00 A.M. Chicago time on the second business day following the satisfaction or waiver of all conditions to the obligations of the parties set forth in Article VI hereof or at such other place, time or date as Seller and Purchaser may mutually agree upon in writing (the day on which the Closing takes place being the "Closing Date").

(b) At the Closing, Seller shall deliver or cause to be delivered (i) to Purchaser certificates evidencing the Shares, duly endorsed in blank, or accompanied by stock powers duly executed in blank, (ii) to Ahold an instrument of assignment pursuant to the Intellectual Property Agreement with respect to the Registered Company Intellectual Property, (iii) a certificate setting forth the amount of Indebtedness of the Companies as of the Closing Date and (iv) all other previously undelivered certificates and other documents required to be delivered by Seller to Purchaser at or prior to the Closing Date in connection with the transactions contemplated hereby.

(c) At the Closing, (i) Purchaser shall deliver to Seller the Shares Purchase Price by wire transfer in immediately available funds to an account or accounts designated by Seller; (ii) Ahold shall deliver to Saramar the Intellectual Property Purchase Price by wire transfer of immediately available funds to an account or accounts designated by Seller; and (iii) all other previously undelivered certificates and other documents required to be delivered by Purchaser to Seller at or prior to the Closing Date in connection with the transactions contemplated hereby.

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

SARA LEE CORPORATION

By: *Mark McCaeville*
Name: *Mark McCaeville*
Title: *Senior Vice President*

U.S. FOODSERVICE

By: _____
Name:
Title:

KONINKLIJKE AHOLD, N.V.

By: _____
Name:
Title:

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

SARA LEE CORPORATION

By: _____
Name:
Title:

U.S. FOODSERVICE

By: Jim Miller
Name: Jim Miller
Title: Chairman, President of CEO

KONINKLIJKE AHOLD, N.V.

By: _____
Name:
Title:

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

SARA LEE CORPORATION

By: _____

Name:

Title:

U.S. FOODSERVICE

By: _____

Name:

Title:

KONINKLIJKE AHOLD, N.V.

By: *[Signature]*

Name:

A.M. MEURS

Title:

EVP