

US EPA ARCHIVE DOCUMENT

Asset Purchase Agreement

Effective as of the first day of January, 1983 (the "Effective Date"), Beatrice Foods Co., a Delaware corporation ("Seller"), John J. Riley Company, Inc., a Massachusetts corporation (the "Company"), Wildwood Conservation Corporation, a non-profit Massachusetts corporation ("Wildwood"), and John J. Riley, Jr. and Diana W. Riley (the "Rileys"), in consideration of the mutual covenants, agreements, representations and warranties contained herein, hereby agree as follows:

Article I

Definitions

1.01 As used herein, the following terms shall have the meanings set forth below unless the context otherwise requires:

(a) Division: the John J. Riley Co. Division of Beatrice Foods Co.;

(b) Inventory: all of the Division's inventories of raw materials, work-in-process and finished goods as of December 31, 1982. As of November 30, 1982 the Inventory had a net book value of \$441,450.00;



(c) Machinery and Equipment: all of the Division's machinery, equipment, tools, tooling, spare parts and other tangible assets or property used or held for use in connection with the business of the Division as of December 31, 1982 but excluding the Division's Real Property, as hereinafter defined;

(d) Contracts: all of the Division's right, title and interest in, to and under any contract, agreement or commitment which is set forth in the list attached hereto as Exhibit A and made a part hereof and its purchase orders and commitments and sales orders and commitments as of December 31, 1982;

(e) Receivables: all of the Division's accounts receivable, outstanding as of December 31, 1982 as listed in Exhibit B attached hereto and made a part hereof;

(f) Liquid Assets: the cash (including petty cash but excluding central banking cash) and liquid assets of the Division in bank accounts, money market funds or similar demand accounts as of December 31, 1982 as reflected on the books and records of the Division at such date, taking account of transfers to Beatrice between the Effective Date and the Closing Date. The Division's Liquid Assets as of November 30, 1982 are described in Exhibit C attached hereto and made a part hereof

(g) Other Assets: the Division's lists of customers and all of Seller's right, title and interest in and to the name "John J. Riley Company" and the Division's prepaid outside expenses as of December 31, 1982. The Division's prepaid outside expenses as of November 30, 1982 are listed on Exhibit C;

(h) Business Assets: the Inventory, the Machinery and Equipment, the Contracts, the Liquid Assets and the Other Assets;

(i) Real Property: the land, together with the buildings and improvements thereon, described on Exhibit D attached hereto and made a part hereof ("Real Property Parcel I") together with certain appurtenant water rights also described in Exhibit D hereto and the land described on Exhibit E hereto and made a part hereof ("Real Property Parcel II");

(j) Real Property Purchaser: the Pileys with respect to Real Property Parcel I and Wildwood with respect to Real Property Parcel II;

(k) Closing: the actual sale, conveyance, transfer, assignment and delivery of the Business Assets and the Real Property by Seller to, respectively, the Company and the Real Property Purchaser which shall take place at the offices of Nutter, McClennen & Fish,

600 Atlantic Avenue, Boston, Massachusetts 02210 at nine o'clock in the morning on Thursday, January 6, 1983, or on such other date or at such other location as the parties shall mutually agree;

(l) Closing Date: the date of the Closing;

(m) Payables: the accrued expenses and trade and accounts payable of the Division as of December 31, 1982. The accrued expenses and trade and accounts payable of the Division as of November 30, 1982 are listed on Exhibit F attached hereto and made a part hereof;

(n) Base Balance Sheet: the balance sheet of the Division as of November 30, 1982 attached hereto as Exhibit G and made a part hereof;

(o) Closing Balance Sheet: the balance sheet of the Division as of December 31, 1982.

Article II
Assets Being Sold
and Purchased

2.01 Upon the terms and subject to the conditions of this Agreement, on the Closing Date, simultaneously with and contingent upon the purchase and sale described in Section 2.02 hereof, Seller shall sell, assign, convey, transfer and deliver to the Company and the Company shall purchase the Business Assets

from Seller for the consideration set forth in Section 3.01 hereof.

2.02 Upon the terms and subject to the conditions of this Agreement, on the Closing Date, simultaneously with and contingent upon the purchase and sale described in Section 2.01 hereof, Seller shall sell to the Real Property Purchaser and the Real Property Purchaser shall purchase from the Seller the Real Property for the consideration set forth in Section 3.02 hereof.

Article III
Consideration

3.01 Upon the terms and subject to the conditions of this Agreement, in consideration of and in exchange for the Business Assets, the Company shall:

(a) pay to Seller, as set forth in Section 3.03 hereof, an amount (the "Business Assets Purchase Price"), equal to:

(i) the net book value (i.e. lower of cost or market on a first-in, first-out basis) of the Inventory as of December 31, 1982; plus

(ii) the net book value of the Machinery and Equipment as of December 31, 1982 plus an additional \$35,000 for the Machinery and Equipment;

plus

(iii) The net book value of the prepaid
outside expenses plus \$1.00 for the Other Assets;

plus

(iv) the aggregate amount of the Liquid
Assets; minus

(v) the aggregate sum of the Payables assumed
by the Company; and

(b) assume, pay, perform and discharge all of
the obligations and liabilities of Seller which are
assumed by the Company pursuant to Section 3.06(a)
hereof.

3.02 Upon the terms and subject to the conditions of
this Agreement, in consideration of and in exchange for the
Real Property, the Real Property Purchaser shall pay to Seller
as set forth in Section 3.05 hereof, an amount (the "Real
Property Purchase Price") equal to the sum of (a) the net book
value of the land constituting Real Property as reflected on
the books of the Division as of December 31, 1982 plus an
additional \$15,000 and (b) the net book value of the buildings
and improvements constituting Real Property as reflected on
the books of the Division as of December 31, 1982 plus an
additional \$50,000. One thousand dollars (\$1,000) of the Real

Property Purchase Price is attributable to the Real Property Parcel II.

3.03 At the Closing, the Company shall deliver to Seller (i) a wire transfer of immediately available funds for credit to Seller at a bank account designated by Seller in an amount equal to the Business Assets Purchase Price as estimated based on the Base Balance Sheet and Seller's good faith estimate of changes to the Base Balance Sheet through December 31, 1982 (all as reflected on Exhibit M attached hereto and made a part hereof), less the aggregate amount of the Inventory Note (as hereinafter defined) and (ii) an installment note in substantially the form attached hereto as Exhibit H and made a part hereof in a principal amount equal to the net book value (i.e., lower of cost or market on a first-in, first-out basis) of the Inventory as shown on the Base Balance Sheet (the "Inventory Note").

3.04 The principal amount due under the Inventory Note shall be subject to recalculation and a promissory note in the form of the Inventory Note in a principal amount equal to the Inventory component of the Business Assets Purchase Price as finally determined shall be substituted and exchanged for the Inventory Note as provided in Section 3.08 hereof. The Inventory Note shall be secured by a first lien upon certain stock of Seller owned by John J. Riley, Jr. pursuant to the security agreement attached hereto as Exhibit I (the "Stock Pledge

Agreement").

3.05 At the Closing, the Real Property Purchaser shall deliver to Seller a wire transfer of immediately available funds for credit to Seller at a bank account designated by Seller in an amount equal to the Real Property Purchase Price.

3.06 (a) On the Closing Date the Company shall assume, perform and in due course pay and discharge the debts, obligations and liabilities which have arisen or shall arise (the "Liabilities"):

(i) on behalf of the Division after December 31, 1982 under the Contracts;

(ii) for all expenses of the Division which are incurred, assessed or accrued in the ordinary course of business on or after the Effective Date, including, without limitation, trade accounts payable and income tax, F.I.C.A. and other payroll tax collection and reporting responsibilities under all applicable United States, state and local laws and regulations;

(iii) under any product warranty claim, relating to products of the Division, received on or after the Effective Date;

(iv) for any defective products of the Division which are returned to it, or for which an allowance is requested on or after the Effective Date; and

(v) the Payables.

The Company shall indemnify and hold harmless Seller from any and all loss, cost or expense incurred by Seller arising out of the assertion against it of any of the Liabilities.

(b) The Company shall not assume or pay any debt, obligation or liability of any kind or nature of Seller, except as specifically provided in this Agreement as evidenced by an Assumption Agreement effective as of the Effective Date.

3.07 Seller is not transferring ownership of the Receivables. All of the Receivables will be and remain the property of Seller. By use of normal and usual billing practices, but without being required to bring suit or to refer accounts to collection agencies or attorneys, the Company hereby undertakes to collect the Receivables and will use its best efforts in so doing for and on account of Seller. During the "Collection Period", as hereinafter defined, Seller shall have access during regular business hours to all documentation in the Company's possession relating to the Receivables. Any documentation relating to any particular Receivable shall be

returned to Seller as such Receivable is paid or returned as provided herein. Collections received by the Company from customers common to both the Company and Seller will be applied in a manner consistent with an inter-creditor agreement dated as of the Effective Date by and between the Seller and BayBank Middlesex. The Company agrees to account for and remit to Seller all sums collected with respect to the Receivables within ten (10) business days after the Closing Date and on a weekly basis thereafter until such time as the Company's obligation to collect said sums has terminated. If Seller should receive payment of all or any part of such account directly from the debtor, it will, within two weeks of such receipt, advise the Company in writing of the fact and amount of said payment, and will promptly account for and pay over to the Company any receipts from any customer which, together with amounts accounted for and remitted to Seller hereunder, exceed the amount due to Seller from said customer. Within ten (10) days after the expiration of the Collection Period the Company shall either return to Seller for collection any or all of the Receivables that are uncollected or purchase such Receivables for cash at their face value. As used herein, the "Collection Period" is the period beginning with the Closing Date and ending (a) thirty (30) days after the Closing Date with respect to Receivables that are more than ninety (90) days old as of the Effective Date and (b) sixty (60) days after the Closing Date with respect to Receivables that are less than ninety (90) days old as of the

Effective Date.

3.08 The purchase and sale of the Business Assets shall be effective for accounting purposes as of the close of business on December 31, 1982. All operating expenses of the Division shall be prorated as of that date. Accordingly, notwithstanding anything herein to the contrary, the Company is entitled to the profits of, and other benefits which accrue to, the Division after such date and is responsible for all Liabilities. Promptly after the Closing Date, the Company and Seller shall account to each other and pay any amount owed to the other as a result of profits, benefits and Liabilities attributable to the period between the Effective Date and the Closing Date.

As promptly as practicable after the Closing Date, and, in any event, within thirty (30) days thereafter, Seller shall prepare the Closing Balance Sheet and shall deliver such Closing Balance Sheet to the Company. The Closing Balance Sheet shall be prepared in accordance with Seller's normal internal accounting practices and procedures as historically applied in accounting for the Division. The Company may designate representatives to observe the taking of the Inventory and review the preparation of the Closing Balance Sheet. If either the Company or the Real Property Purchaser (as to the Real Property) disputes Seller's preparation of the Closing Balance Sheet, such party shall submit a statement of its claim in writing to Seller within ten (10) business days after receipt of the

Closing Balance Sheet. If such claim is not settled by the parties within ten (10) days after Seller's receipt of such statement, such claim shall be submitted to arbitration before a single arbitrator in the City of Boston. Any such arbitration shall be governed by the commercial arbitration rules of the American Arbitration Association. The costs of arbitration shall be borne equally by the parties. As soon as practicable after final determination of the Business Assets Purchase Price, and, in any event, within five (5) business days thereafter, (a) the Seller shall return the Inventory Note to the Company and the Company shall execute and deliver to Seller a new promissory note in the same form as the Inventory Note but reflecting the recalculated deferred balance due for the Inventory and (b) to the extent the Business Assets Purchase Price is adjusted based on the Closing Balance Sheet for reasons other than changes with respect to the Inventory, either the Seller or the Company shall promptly pay the other any amount owed as a result of such adjustment. The substitution of the Inventory Note shall not adversely affect the priority of Seller's first lien upon the collateral posted as security for the Inventory Note. In the event a claim is submitted to arbitration and the Inventory Note is paid in full prior to the conclusion of such arbitration, promptly after the conclusion of the arbitration either the Seller or the Company shall pay any amount determined by arbitration to be owed.

3.09 Any and all state and local transfer, stamp, sales or use taxes applicable to, imposed upon or arising out of the transfer to the Company and the Real Property Purchaser of, respectively, the Business Assets and the Real Property shall be borne by Seller.

Article IV
Closing

4.01 (a) The obligations of the Company and the Real Property Purchaser under this Agreement are subject to the condition that as of the Closing Date all representations and warranties made by Seller herein shall be true and correct in all material respects on and as of such date with the same effect as if such representations and warranties had been made on and as of such date, Seller shall have performed and complied with all agreements and covenants on its part required to be performed or complied with on or prior to such date and the Company and the Real Property Purchaser shall have been furnished with a certificate of an officer of Seller, dated the Closing Date, certifying to the fulfillment of the foregoing condition.

(b) The obligations of Seller under this Agreement are subject to the condition that as of the Closing Date all representations and warranties made by the Company and the Real Property Purchaser herein shall

be true and correct in all material respects on and as of such date with the same effect as if such representations and warranties had been made on and as of such date, the Company and the Real Property Purchaser shall have performed and complied with all agreements and covenants on their part required to be performed or complied with on or prior to such date and Seller shall have been furnished with a certificate dated the Closing Date, certifying to the fulfillment of the foregoing condition from the Real Property Purchaser and from the President of the Company.

4.02 At the Closing, Seller shall deliver to the Company and the Real Property Purchaser, as appropriate, the following:

(i) all such bills of sale, deeds, contract assignments and other documents and instruments of sale, assignment, conveyance and transfer to sell, assign, convey and transfer the Business Assets to the Company and the Real Property to the Real Property Purchaser in accordance with the terms of this Agreement;

(ii) the opinion of Winston & Strawn, dated the Closing Date, stating that:

(A) Seller has been duly organized and is validly existing and in good standing under the laws of Delaware.

(B) Seller has the corporate power and authority to enter into and perform this Agreement. The execution, delivery and performance of this Agreement has been duly authorized by all requisite corporate action, and this Agreement has been duly executed and delivered by Seller.

(C) This Agreement is a legal, valid and binding obligation of Seller and is enforceable against Seller in accordance with its terms, except as may be limited by bankruptcy, insolvency or other similar laws affecting the enforcement of creditors' rights in general.

(D) The execution and the delivery of this Agreement and the performance by the Seller of its terms do not conflict with or result in a violation of the Certificate of Incorporation or By-Laws of Seller or of any agreement, instrument, order, writ, judgment or decree known to such counsel to which Seller

is a party or is subject; and

(iii) a Massachusetts release deed or deeds
- for the Real Property together with a letter of
commitment to issue an Owner's title insurance
policy dated the Closing Date, on ALTA 1970 Owner's
Form B, with extended coverage endorsement
guaranteeing over the standard exceptions to title
customarily contained in such policies (except
as to matters that would require a survey in order
to remove the survey exception), and with such
other endorsements and provisions as the Real
Property Purchaser in its discretion reasonably
deems appropriate, covering the Real Property,
insuring, as of the Closing Date, the fee simple
estate of the Real Property Purchaser in each such
parcel of real estate in the amount and subject
only to the exceptions set forth in the title
insurance policy attached hereto as Exhibit J.

(iv) such other documents as the Company
or the Real Property Purchaser or their counsel
may reasonably request to carry out the purposes
of this Agreement.

4.03 At the Closing, John J. Riley, Jr., the Company or the Real Property Purchaser, as appropriate, shall deliver to Seller the following:

(i) the Inventory Note, the Stock Pledge Agreement, and any related documents required thereby or as otherwise necessary to validly perfect Seller's security interests as therein provided;

(ii) the opinion of Nutter, McClennen & Fish in the form attached hereto as Exhibit L.

(iii) a document evidencing the assumption by the Company of the obligations to be assumed by it under this Agreement.

Article V Covenants

5.01 Seller, the Company and the Real Property Purchaser shall, on request, on or after the Closing Date, cooperate with one another by furnishing any additional information, executing and delivering any additional documents and/or instruments and doing any and all such other things as may be reasonably required by the parties or their counsel to consummate or otherwise implement the transaction contemplated by this Agreement.

5.02 The Seller shall prepare the Closing Balance Sheet in accordance with Seller's normal internal accounting procedures and practices as consistently maintained and historically applied in accounting for the Division.

5.03 During the period of five(5) years following the Closing Date, the Company shall, upon request, process leather for Braude Bros. Tannery, Moran Leather Co. and Amdur Leather Co. on standard commercial terms provided that the quantities thereof to be processed from time to time shall be reasonably within the Company's capacity to produce. Notwithstanding the foregoing, nothing contained herein shall be deemed to require the Company to stay in business or to process leather if, in the opinion of the Company's Board of Directors, it is not economically advantageous for the Company to do so.

5.04 Seller recognizes and acknowledges that the Closing does not relieve the Seller of any liabilities and obligations relating to its ownership and operation of the Division prior to the Closing except to the extent expressly provided in Section 3.06 hereof. Seller agrees to indemnify and hold harmless the Company and the Real Property Purchaser against any loss, damage or expense with respect to all events occurring or conditions created prior to the Closing Date which relate to the Business Assets or the Real Property unless expressly assumed pursuant to this Agreement.

Following the Closing, Seller shall continue to defend the Woburn pollution litigation described in Exhibit K hereto (the "Woburn Litigation"). The Company and the Real Property Purchaser shall cooperate with Seller in its defense of such litigation, and shall make available to Seller such personnel and records as Seller may reasonably request in connection with such matter. In addition, Seller shall have access to the Real Property for the purpose of inspecting the same and conducting whatever soil or other tests it may reasonably deem necessary in connection with the Woburn Litigation. Seller recognizes and agrees that to the extent it would have any liability with respect to the Woburn Litigation absent a sale of the Business Assets and Real Property, Seller shall continue to be responsible for such liability notwithstanding the Closing. Specifically, Seller shall be responsible for any and all monetary damages, including interest and court costs, awarded against it, the Company, the Real Property Purchaser or any other stockholder, officer or director of the John J. Riley Company prior to its merger into the Seller in such matter, for (except as otherwise provided in the following sentence) any court-ordered remedial action required of it or the Company to change or rectify any environmental condition or situation, and all legal fees and other expenses incurred by it, the Company, the Real Property Purchaser or any other stockholder, officer or director of the John J. Riley Company prior to its merger into the Seller in connection with such defense; except that, if any such monetary

award provides, or if it can be reasonably inferred from the manner in which such monetary damages are calculated, that all or any portion thereof is made in respect of, or if court ordered remedial action relates to, events occurring or conditions created or exacerbated after the Closing Date, the Company shall be responsible for that portion of such award as relates to the events occurring or conditions created or exacerbated by the Company after the Closing Date. If any judgment against Seller or the Company in such matter requires that remedial action be taken with respect to the Company's production process or that any device, system, facility or other improvement be installed or made with respect to the Business Assets, the Company shall, at its expense, be responsible for taking such action or installing or making such improvement. The foregoing allocation of responsibility between Seller and the Company shall also be applicable to any other lawsuit or administrative proceeding to which Seller and/or the Company is a party, or are parties, and which is based upon, related to or arises out of the condition or conditions and matter or matters at issue in the Woburn Litigation.

5.05 Pursuant to this Agreement, the Company is assuming the duty, obligation and liability to perform, pay, satisfy and discharge all duties, liabilities and obligations arising from or in connection with the agreement between Local 22 and the Division. The parties acknowledge that, pursuant to the

aforesaid agreement, Seller contributes to the Leather Worker's Union Retirement Fund ("Multiemployer Plan"), a multiemployer plan as defined in Section 4001(a)(3) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"). With respect to the Multiemployer Plan:

(a) The Company shall contribute to the Multiemployer Plan after the Effective Date with respect to the operations of the Division for substantially the same number of contribution base units for which Seller has an obligation to contribute to the Multiemployer Plan with respect to the Division, but only to the extent so required by the agreement between Local 22 and the Division.

(b) The Company shall provide to the Multiemployer Plan for a period of five years, commencing with the first plan year beginning after the Effective Date, a bond issued by a corporate surety company that is an acceptable surety for purposes of Section 412 of ERISA, or an amount to be held in escrow by the Multiemployer Plan, in an amount equal to the greater of (i) the average annual contribution required to be made by Seller with respect to the operations of the Division for the three plan years of the Multiemployer Plan preceding the plan year in which the Effective Date occurs or (ii) the annual contribution Seller was

required to make under the Multiemployer Plan with respect to the operations of the Division for the last plan year prior to the plan year in which the Effective Date occurs. The bond or escrow shall provide for payment to the Multiemployer Plan if the Company withdraws from the Multiemployer Plan in a complete or partial withdrawal (as defined in Sections 4203 and 4205 of ERISA) or fails to make a contribution to the Multiemployer Plan, when due, at any time during the first five plan years beginning after the Effective Date. Seller shall assist in obtaining the aforementioned bond and shall pay any premium due in respect thereof.

(c) If the Company withdraws from the Multiemployer Plan in a complete or partial withdrawal (as defined in Sections 4203 and 4205 of ERISA) with respect to the operations of the Division during the first five plan years beginning after the Effective Date, Seller shall be secondarily liable for any withdrawal liability it would have had to the Multiemployer Plan with respect to the operations of the Division (but for Section 4204 of ERISA) if the liability of the Company with respect to the Multiemployer Plan is not paid.

(d) In the event of the Company's complete or partial withdrawal from the Multiemployer Plan

(i) after the end of the fifth plan year beginning after the Effective Date,

(ii) in connection with the Company's voluntary change of the location of part or all of the business with respect to which the Company contributes to the Multiemployer Plan,

(iii) in connection with any decertification initiated or materially encouraged by the Company or Local 22 or its successor as collective bargaining agent for employees of the Company with respect to whom the Company contributes to the Multiemployer Plan, or

(iv) in connection with coverage of employees of the Company with respect to whom the Company contributes to the Multiemployer Plan under an employee benefit plan established by the Company, if initiated or materially encouraged by the Company,

the Company shall indemnify Seller for any liability which Seller may incur with respect to a complete or partial withdrawal as described in the foregoing clauses (i) - (iv). In the event of the Company's complete or partial withdrawal from the Multiemployer Plan under circumstances that do not entitle Seller to indemnification under the foregoing sentence, Seller shall

indemnify the Company in the amount of (A) any liability which the Company may incur with respect to such complete or partial withdrawal in excess of the liability the Company would have incurred if Section 4024(b) of ERISA did not apply to the Company, or (B) the liability Seller would have had to the Multiemployer Plan with respect to the operations of the Division (but for Section 4204 of ERISA), whichever is less. The amount described in (B) in the foregoing sentence shall be reduced by the amount of any previous indemnity incurred by Seller pursuant to the foregoing sentence. If the Company becomes aware of any facts which could give rise to an indemnification claim against Seller hereunder, the Company agrees to give Seller prompt notice thereof, and Seller may at its sole cost contest any withdrawal liability on behalf of the Company to the extent the Company does not contest such liability. Indemnification pursuant to this Section 5.05 shall not be limited as provided in Sections 10.06 and 10.07 hereof.

Article VI
Representations and Warranties
of
Seller

Seller hereby represents and warrants to the Company (and, as to the Real Property, to the Real Property Purchaser) as follows:

6.01 Seller is a corporation duly organized, validly existing and in good standing under the laws of Delaware, and is qualified as a foreign corporation to do business in Massachusetts.

6.02 Neither the execution and delivery of this Agreement by Seller nor the consummation of the transaction contemplated hereunder nor the fulfillment by Seller of any of its terms will (a) conflict with or result in a breach by Seller of, or constitute a default by it under, any other terms, conditions or provisions of (i) any indenture, mortgage, lease, deed of trust, pledge, loan or credit agreement or any other contract, arrangement or agreement to which Seller is a party, (ii) its Certificate of Incorporation or By-Laws or (iii) any judgment, order, writ, injunction, decree or demand against Seller of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality, or (b) result in the creation or imposition of any lien, charge or encumbrance or any nature whatsoever upon any of the Business Assets or the Real Property.

6.03 The execution and delivery of this Agreement by Seller and the performance of all acts contemplated to be performed by it hereunder have been duly authorized by all necessary corporate action by Seller. Seller has duly executed and delivered this Agreement and this Agreement constitutes a legal, valid and binding obligation of Seller.

6.04 No consent, approval or authorization of, or filing with, any governmental authority on the part of Seller is required in connection with the execution, delivery and

consummation of this Agreement.

6.05 Seller has good and marketable title to the Business Assets and the Real Property, free and clear of mortgages, pledges, liens, claims, charges, encumbrances or other adverse interest of any kind or nature, except for such imperfections of title and encumbrances, if any, as are not substantial in character, amount or extent and which do not materially detract from the value or materially interfere with the present use of the Business Assets and, except with respect to the Real Property (a) the lien of current taxes not yet due and payable and (b) such imperfections of title, liens and easements as are set forth in the title insurance policy attached hereto as Exhibit J.

6.06 Except as described in the list attached hereto as Exhibit K and made a part hereof, there is no litigation or proceeding before any governmental authority pending or, to Seller's knowledge, threatened against or affecting the business of the Division, the Business Assets or the Real Property.

6.07 Neither Seller nor, to Seller's knowledge, any other person, firm, corporation or entity is in breach of, or default under, any Contract.

6.08 The Base Balance Sheet was prepared in accordance with Seller's normal internal accounting procedures and practices as consistently maintained and historically applied in accounting for the Division.

Article VII
Acknowledgement
Of
the Business Assets Purchaser

7.01 The Company represents to Seller that it has inspected the Inventory and the Machinery and Equipment and knows the condition thereof and is purchasing the same "AS IS and WHERE LOCATED" as a result of such inspection and not because of or in reliance on any representations made by Seller other than those expressly set forth in this Agreement. The Inventory and the Machinery and Equipment shall be sold without any representations or warranties of any kind or nature, expressed or implied, as to physical condition, value or quality, and Seller specifically disclaims any warranty of merchantability, usage or fitness.

Article VIII
Representations and Warranties
Of
the Company

The Company represents and warrants to Seller as follows:

8.01 The Company is duly organized, validly existing

and in good standing under the laws of Massachusetts.

8.02 Neither the execution and delivery of this Agreement or the Inventory Note by the Company nor the consummation of the transaction contemplated hereunder or thereunder nor the fulfillment by the Company of any of the terms hereof or thereof will conflict with or result in a breach by the Company of, or constitute a default by it under, any of the terms, conditions or provisions of (a) any indenture, mortgage, lease, deed of trust, pledge, loan or credit agreement or any other contract, arrangement or agreement to which the Company is a party, (b) its Articles of Organization or By-Laws, or (c) any judgment, order, writ, injunction, decree or demand against the Company of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality.

8.03 The execution and delivery of this Agreement and the Inventory Note by the Company and the performance of all acts contemplated to be performed by it hereunder have been duly authorized by all necessary corporate action. The Company has duly executed and delivered this Agreement and it constitutes, and when executed and delivered by the Company the Inventory Note will constitute, a legal, valid and binding obligation of the Company.

8.04 No consent, approval or authorization of, or filing with, any governmental authority on the part of the Company is required in connection with the execution, delivery and consummation of this Agreement.

Article IX
Representations and Warranties
of the Real
Property Purchaser

9.01 The Rileys hereby represent and warrant to Seller as follows:

(a) Neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereunder nor the fulfillment by the Rileys of any of the terms hereof will conflict with or result in a breach by the Rileys of, or constitute a default by it under, any of the terms, conditions or provisions of (i) any indenture, mortgage, lease, deed of trust, pledge, loan or credit agreement or any other contract, arrangement or agreement to which the Rileys are a party, or (ii) any judgment, order, writ, injunction, decree or demand against the Rileys of any court or federal, state, municipal or other governmental department, commission, board, bureau, agency or instrumentality.

(b) The Rileys have duly executed and delivered this Agreement and it constitutes the legal, valid and binding obligation of the Rileys.

(c) No consent, approval or authorization of, or filing with, any governmental authority on the part of the Rileys is required in connection with the execution, delivery and consummation of this Agreement.

9.02 Wildwood hereby represents and warrants to Seller as follows:

(a) Wildwood is duly organized, validly existing and in good standing under the laws of Massachusetts.

(b) Neither the execution and delivery of this Agreement nor the consummation of the transaction contemplated hereunder nor the fulfillment by Wildwood of any of the terms hereof will conflict with or result in a breach by Wildwood of, or constitute a default by it under, any of the terms, conditions or provisions of (i) any indenture, mortgage, lease, deed of trust, pledge, loan or credit agreement or any other contract, arrangement or agreement to which Wildwood is a party, (ii) its Articles of Organization or By-laws, or (iii) any judgment, order, writ, injunction, decree or demand against Wildwood of any court or federal, state, municipal or other governmental department, commission,

board, bureau, agency or instrumentality.

(c) The execution and delivery of this Agreement by Wildwood and the performance of all acts contemplated to be performed by it hereunder have been duly authorized by all necessary corporate action. Wildwood has duly executed and delivered this Agreement and it constitutes the legal, valid and binding obligation of Wildwood.

(d) No consent, approval or authorization of, or filing with, any governmental authority on the part of Wildwood is required in connection with the execution, delivery and consummation of this Agreement.

Article X

Indemnification

10.01 Seller shall indemnify and hold harmless the Real Property Purchaser and the Company against any loss, damage or expense (including reasonable attorneys' fees) suffered by either of them resulting from (i) any breach by Seller of this Agreement, (ii) any inaccuracy in or breach of any of the representations, warranties or covenants made by Seller herein or in any document delivered pursuant hereto, (iii) subject to Section 5.04 hereof, any pending or threatened litigation listed on Exhibit K hereto, or (iv) any liabilities and obligations of Seller relating to Seller's ownership and operation of the Division prior to the Closing, except to the

extent expressly provided in Section 3.06 hereof. With respect to any pending or threatened litigation listed on Exhibit K hereto, the Real Property Purchaser and the Company agree, unless they have reasonable cause to request independent counsel, to be represented by Seller's counsel and further agree to cooperate with Seller and its counsel in the defense of such litigation. Notwithstanding anything contained herein to the contrary, the Company and the Real Property Purchaser acknowledge that the Seller's representations and warranties contained in this Agreement are based primarily on information provided to the Seller by John J. Riley, Jr. and that the Seller shall not be obligated to indemnify the Company or the Real Property Purchaser to the extent that John J. Riley, Jr. had actual knowledge prior to the Closing of any inaccuracy or omission with respect to any of Seller's representations or warranties contained herein giving rise to such claim for indemnity.

10.2 The Company shall indemnify and hold harmless Seller against any loss, damage or expense (including reasonable attorneys' fees) suffered by Seller resulting from (i) any breach by the Company of this Agreement or (ii) any inaccuracy in or breach of any of the representations, warranties or covenants made by the Company herein or in any document delivered pursuant hereto.

10.03 The Real Property Purchaser shall indemnify and hold harmless Seller against any loss, damage or expense (including reasonable attorneys' fees) suffered by Seller

resulting from (i) any breach by the Real Property Purchaser of this Agreement or (ii) any inaccuracy in or breach of any of the representations, warranties or covenants made by the Real Property Purchaser herein or in any document delivered pursuant hereto.

10.04 Upon obtaining knowledge thereof, the indemnified party shall promptly notify the indemnifying party of any claim or demand which it has determined has given or could give rise to a right of indemnification under this Agreement. If such claim or demand relates to a claim asserted by a third party, the indemnifying party shall have a reasonable time to contest any such claim or demand and shall have the right to employ counsel acceptable to the indemnified party and the indemnified party shall cooperate in the defense of any such claim or demand.

10.05 Subject to the indemnifying party's right to defend third party claims as set forth above, the indemnifying party shall reimburse the indemnified party promptly upon demand for any payment made or loss suffered by the indemnified party in respect of any liability, loss, damage or expense to which this Article X relates.

10.06 An indemnified party shall not be entitled to assert any right of indemnification under this Article X for any loss, damage or expense suffered by it after the third (3) anniversary of the Closing, except for pollution litigation

which is based upon, related to or arising out of the condition or conditions and matter or matters at issue in the Woburn Litigation and except if there shall then be pending any dispute, claim, proceeding or action under this Agreement, the indemnified party shall continue to have the right to be indemnified with respect to such pending dispute, claim, proceeding or action. The pending or threatened litigation described in Exhibit K hereto shall be deemed to be proceedings pending under this Agreement for purposes of this Section 10.06.

10.07 An indemnified party shall not be entitled to indemnification under this Article X until the aggregate losses, damages or expenses suffered by it exceed \$50,000 ("Threshold"), whereupon the indemnified party shall be entitled to indemnification hereunder by the indemnifying party for any loss, damage or expense in excess of the Threshold. This Section 10.07 shall not limit Seller's obligation to fully indemnify the Company and the Real Property Purchaser with respect to any pending or threatened litigation listed on Exhibit K hereto and any liability for failure to comply with the so-called Bulk Sales laws of any state.

Article XI
Miscellaneous

11.01 The Company and the Real Property Purchaser and Seller represent and warrant that neither this Agreement nor the sale and purchase of the Business Assets or the Real Property

or any other transaction contemplated by this Agreement was induced or procured through any person, firm, corporation or other entity acting on behalf of, or representing, the Company, the Real Property Purchaser or Seller as broker, finder, investment banker, financial advisor or in any similar capacity.

11.02 Each of the parties hereto will pay their own costs and expenses (including attorneys' fees, accountants' fees and other professional fees and expenses) in connection with the negotiation, preparation, execution and delivery of this Agreement and the consummation of the sale of the Business Assets, the Real Property and the other matters contemplated by this Agreement Seller shall pay the cost of the title insurance delivered pursuant to Section 4.02(a)(iii) hereof.

11.03 This Agreement contains the entire agreement between the parties hereto with respect to the transaction contemplated hereunder, and supersedes all negotiations, representations, warranties, commitments, offers, contracts and writings prior to the date hereof. No waiver and no modification or amendment of any provision of this Agreement shall be effective unless specifically made in writing and duly signed by the party to be bound thereby.

11.04 All notices to third parties and other publicity relating to the transaction contemplated by this Agreement shall be jointly planned, coordinated and agreed to by the Company,

the Real Property Purchaser and the Seller. None of the parties hereto shall act unilaterally in this regard without prior written approval of the others; however, such approval shall not be unreasonably withheld.

11.05 The Company hereby waives compliance by Seller with the provisions of the so-called Bulk Sales Law of any state; provided, however, that Seller shall indemnify the Company and hold it harmless from any claims against it, except for obligations assumed by it hereunder, resulting from Seller's non-compliance with any so-called Bulk Sales Law.

11.06 This Agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto.

11.07 The validity, interpretation and effect of this Agreement shall be exclusively governed by, and construed in accordance with, the laws of the State of Massachusetts.

11.08 All notices, requests, demands, and other communications under this Agreement shall be in writing and delivered in person or sent by certified mail, postage prepaid,

and properly addressed as follows:

To Seller:

Beatrice Foods Co.
Two North LaSalle Street
Chicago, Illinois 60602
Attention: Corporate Secretary

To the Company or the Real Property Purchaser:

228 Salem Street
Woburn, Massachusetts 01801
Attention: John J. Riley, Jr.

All notices and other communications required or permitted under this Agreement which are addressed as provided in this Section 11.08 shall, if delivered personally, be effective upon delivery and shall, if delivered by mail, be effective upon deposit in the United States Mail, postage prepaid.

Any party may from time to time change its address for the purpose of notices to that party by a similar notice specifying a new address, but no such notice shall be deemed to have been given until it is actually received by the party sought to be charged with the contents.

11.09 Neither the Company nor Seller shall, unless otherwise consented to in writing by the other party, during the period of 10 years following the date hereof, destroy or otherwise dispose of any of the books or records of the Division acquired hereunder (in the case of the Company) or any of the books or records of the Division retained hereunder (in the

case of Seller) without first offering to surrender such books or records or any portion thereof which such party may intend to destroy or dispose of to the other party. The Company and Seller shall allow the other party's representatives, attorneys, and accountants, at the user's own expense, access to such books or records upon reasonable request and during normal business hours for the purpose of examining and copying.

11.10 This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

11.11 This Agreement and all of the obligations and provisions contained herein shall inure to the sole and exclusive benefit of and be binding upon the parties hereto, and their respective successors in title and interest, and no others shall have any legal, equitable or other right, remedy or claim under or by reason of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on January 6, 1983.

CORPORATE
SEAL

BEATRICE FOODS CO.

By: [Signature]
Title Assistant Vice-President

SEAL

[Signature]
John J. Riley, Jr.

SEAL

[Signature]
Diana W. Riley, his wife

CORPORATE
SEAL

JOHN J. RILEY
COMPANY, INC.

By [Signature]
Its President

CORPORATE
SEAL

WILDWOOD CONSERVATION
CORPORATION

By [Signature]
Its President

EXHIBIT A

CONTRACTS

1. Rental Agreement (platform forklift truck) dated as of May 6, 1981; John J. Riley Company, lessee; Brodie Inc., authorized Clark Rental System Dealer, lessor. Note: Agreement prohibits assignment by lessee without lessor's prior written consent.
2. Rental Agreement (pneumatic tire fork trucks); dated as of May 6, 1981; John J. Riley Company, lessee; authorized Clark Rental System Dealer, lessor. Note: Agreement prohibits assignment by lessee without lessor's prior written consent.
3. Rental Agreement (Toyota forklift truck); dated as of June 17, 1981; John J. Riley Company, lessee; Cooney Industrial Trucks, Inc., lessor. Note: Agreement prohibits assignment by lessee without lessor's prior written consent.
4. Rental Agreement (office equipment); dated as of December 25, 1982 (invoice date); John J. Riley Company, lessee; Monroe Systems for Business, lessor.
5. 1980-1983 Labor Agreement and 1980-1983 Pension Plan Agreement; dated as of September 15, 1980; John J. Riley Co. of Woburn ("Employee"); Leather Workers International Union, AFL-CIO, and Local 22 thereof of Woburn, Massachusetts ("Union").
6. Leases with Braude Brothers Tanning Corporation, Braude Peabody Corporation and Moran Leather Company, tenants, the terms and conditions of which are known to John J. Riley, Jr., the Company and the Real Property Purchaser.

Accounts Receivable - December 31, 1982

	<u>Date</u>	<u>Inv. #</u>	<u>Amount</u>
Admiral Sea OK	12/2/82	1871	\$ <u>14652.00</u>
Braude OK	Nov. Invoices		20863.35
	Dec. Invoices		<u>149540.24</u>
			\$ <u>170403.59</u>
EC Lawrence OK	12/14/82	1858	\$ <u>1268.40</u>
Maran P OK	Nov. Invoices		\$ 55437.19
	Dec. Invoices		<u>90954.58</u>
			\$ 146,391.77
Sy Steel Drum OK	12/5/82	1871	94.25
United Marine OK	12/21/82	1873	2239.44
	12/21/82	1875	<u>6633.25</u>
			<u>8872.69</u>

Vernon Linn	12/29 - 1537.00	
A	12/30 (- 33860)	<u>1548.40</u>

Hard Enterprise	12/17 - 25.50	
A	12/28 - 43.85	<u>69.35</u>

Genesco J	12/19 - 11201.11	<u>11201.11</u>
A		

Milton J	12/18	25.89	
A	12/14	8250.20	
	12/22	4387.22	
	5/30 (Cr - 4348.05)		<u>8317.26</u>
	(51-11)		<u>362,818.8</u>

EXHIBIT C

Liquid Assets as of
November 30, 1982

Petty Cash	\$ 50.00
Cash in New England Merchants	1,500.00
Cash in Woburn National Bank	<u>28,131.90</u>
	\$29,681.90

Prepaid Outside Expenses as of
November 30, 1982

Prepaid Real Estate Taxes	\$1,250.00
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EXHIBIT D

PARCEL I

Four parcels of registered land and one parcel of unregistered land and all buildings, structures, improvements and fixtures thereon, situate in Woburn, Middlesex County, Massachusetts, together with any and all rights, rights of way, easements, privileges and appurtenances thereunto belonging or appertaining, each such parcel being bounded and described as follows:

REGISTERED LAND:

That certain parcel of land situate in Woburn in the County of Middlesex and Commonwealth of Massachusetts, bounded and described as follows:

Southeasterly by Salem Street, six hundred forty and 53/100 feet;

Southwesterly, seventy-three and 70/100 feet, and

Northwesterly, twenty-one and 50/100 feet by land now or formerly of Julia F. Watts et al;

Southwesterly by lands of sundry adjoining owners as shown on plan hereinafter mentioned, eleven hundred eighty-three and 39/100 feet;

Northwesterly by the southeasterly line of Sunset Avenue, ninety-eight and 30/100 feet;

Northeasterly, one hundred thirty-two and 56/100 feet; and

Northwesterly, two hundred sixty and 05/100 feet, by the southwesterly and southeasterly lines of Hinston Road;

Northeasterly by the southwesterly line of a Way as shown on said plan, four hundred twelve and 07/100 feet;

Northerly by a line crossing said Way, thirty and 30/100 feet;

Northwesterly by land now or formerly of John W. Buckley et al, two hundred sixty and 69/100 feet;

Northerly by land now or formerly of the Woburn Packing Co., seventy-five and 42/100 feet; and

Northeasterly by land now or formerly of Boston and Maine Railroad (Montreal Div.), eight hundred nineteen and 04/100 feet.

Said parcel is shown as lots 1, 2 and 3 on Land Court Plan No. 22628A.

All of said boundaries are determined by the Court to be located as shown on said plan as modified and approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 485, Page 165, with Certificate 73122.

So much of the above described land as is included within the area marked Sewer Easement-City of Woburn on said plan is subject to a sewer easement as set forth in a grant made by John J. Riley Company to the City of Woburn, dated April 10, 1931, duly recorded in Book 5570, Page 140.

The above described land is subject to the flow of an ancient water course running through the same as shown on said plan.

Said lot 3 is subject to, and has the benefit of, the provisions contained in two indentures, one between the Boston and Maine Railroad and John J. Riley Company, dated December 3, 1945, duly recorded in Book 6918, Page 262, and the other between said Boston and Maine Railroad and the Woburn Packing Company, dated November 29, 1945, duly recorded in Book 6917, Page 497.

There is appurtenant to said lot 1 the right to use the whole of said Sunset Avenue and Hinston Road, as shown on said plan, in common with all other persons lawfully entitled thereto.

Said lot 2 is subject to a Taking by the City of Woburn of permanent sewer easement and temporary construction easement, Document No. 473793.

Also another certain parcel of land situate in said Woburn, bounded and described as follows:

Southerly, two hundred twenty-six and 73/100 feet, and

Southwesterly, one hundred and sixty-seven feet, by the northerly and northeasterly lines of Hinston Road;

Northwesterly by land now or formerly of the City of Woburn, two hundred and fifty-five feet; and

Northeasterly by the southwesterly line of a way as shown on plan hereinafter mentioned, two hundred ninety-four and 60/100 feet.

All of said boundaries are determined by the Court to be located as shown on Land Court Plan No. 23536A, as modified and approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 503, Page 497, with Certificate 77483.

The above described land is subject to restrictions as set forth in two deeds given by John Hinston et al, Trustees, one to Frank H. Linscott, dated September 19, 1925, duly recorded in Book 4897, Page 48, and the other to Austin H. Linscott, dated January 25, 1926, duly recorded in Book 4937, Page 288.

Also another certain parcel of land situate in said Woburn, bounded and described as follows:

Northwesterly by Sunset Avenue, one hundred and three feet;

Northeasterly by land now or formerly John J. Riley Company, one hundred feet;

Southeasterly by land now or formerly of Susan E. Heald, one hundred fourteen and 51/100 feet; and

Southwesterly by land now or formerly of James w. McLeod et al, ninety-three feet.

All of said boundaries are determined by the Court to be located as shown on Land Court Plan No. 26901A as modified and approved by the Court, filed in the Land Registration Office, a copy of a portion of which

is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 590, Page 67, with Certificate 92017, (Plan No. 26901A).

The above described land is subject to restrictions as set forth in a deed given by John W. Connolly et al, Trustees to August D. Swenbeck, dated April 29, 1937, duly recorded in Book 6115, Page 290.

So much of the above described land as is included within the limits of said Sunset Avenue is subject to the rights of all persons lawfully entitled thereto in and over the same.

Also another certain parcel of land situate in said Woburn, bounded and described as follows:

Southwesterly by the northeasterly line of Hinston Road, one hundred seventy-five and 82/100 feet;

Northwesterly by land now or formerly of Ralph W. Stokes, two hundred twenty-one and 55/100 feet;

Northeasterly by land now or formerly of Paul H. Anderson et al, one hundred seventy-six and 10/100 feet; and

Southeasterly by land now or formerly of Alice K. Riley, two hundred and fifty-five feet.

Said parcel is shown as lots 1 and 2 on Land Court Plan No. 27496A.

All of said boundaries are determined by the Court to be located as shown on said plan as modified and approved by the Court, filed in the Land Registration Office, a copy of a portion of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 600, Page 28, with Certificate 93978.

For grantor's title see Certificate 157009.

UNREGISTERED LAND:

A certain parcel of land in said Woburn, bounded and described as follows:

Beginning at a point which is South 56°50'27" West twenty-one and seventy-eight hundredths (21.78) feet from Station 548 - 87.93 on the center line of location Boston and Maine Railroad, Boston Division, former Term. Division - N.E. Main Line, thence running along land of said Railroad South 56°50'27" West seventy-three and thirty-seven hundredths (73.37) feet to a point; thence turning and running along land now or formerly of James S. Murray, land of Charlotte Whitney, and land of Eugene C. Fowle on the following seven (7) courses: North 33°09'33" West three hundred eighty (380) feet; South 56°37'27" West eighty and twenty-five hundredths (80.25) feet; North 12°38'30" West two hundred four and seventy-three hundredths (204.73) feet; North 34°40'20" West thirty-three and no hundredths (33.00) feet; North 22°38'30" West five hundred twenty and seventeen hundredths (520.17) feet; North 22°38'30" West ninety and thirty-three hundredths (90.33) feet and North 44°04'40" West one hundred two and no hundredths (102.00) feet to the southerly side line of Salem Street, so-called; thence turning and running along said side line North 61°54'50" East one hundred eight and three hundredths (108.03) feet; thence turning and running along land of the Boston and Maine Railroad on the following five (5) courses. On a curve to the left having a radius of three thousand forty-eight and forty-six hundredths (3048.46) feet and a length of six hundred sixty-seven and thirty-seven hundredths (667.37) feet; South 61°32'15" West thirteen and seventy-six hundredths (13.76) feet; South 33°24'20" East two hundred ninety-four and eighty-nine hundredths (294.69) feet; on a curve to the left having a radius of seven thousand one hundred forty-seven and sixty-three hundredths (7147.63) feet and a length of two hundred thirty-six and fifty-three hundredths (236.53) feet; South 39°32'30" East one hundred twelve and twenty-one hundredths (112.21) feet to the point of beginning, be all of said measurements more or less, said parcel containing about eighty-three thousand, six hundred ten (83,610) square feet and being shown upon plan marked "Land in Woburn, Mass. Boston and Maine Railroad To John J. Riley Company J. F. Kerwin Ass't Chief Eng'r Scale 1 in. = 100 Ft. Oct. 1962", filed in the Middlesex South Registry of Deeds with the deed from Boston and Maine Railroad dated December 11, 1962, recorded with said Deeds in Book 10186, Page 393, to which reference is hereby made for a further description of the premises hereby conveyed.

Being the same premises conveyed to the grantor by deed of John J. Riley Company, dated December 28, 1978, recorded with said Deeds in Book 13615 , Page 282.

The above-described registered and unregistered premises are hereby conveyed together with an appurtenant perpetual right and exclusive easement to the grantees, their heirs and assigns in, over, across, and under the Burdened Land (hereinafter defined):

(a) to use, operate, maintain, inspect, repair, remove, relocate and replace from time to time the well presently located on the Burdened Land (hereinafter called the Existing Well);

(b) to search for, install, use, operate, maintain, inspect, repair, remove, relocate and replace from time to time an additional well or wells of such depth and design as the grantees may deem desirable at any location on the Burdened Land (hereinafter called the Additional Wells; the Existing Well and the Additional Wells are hereinafter collectively called the Wells);

(c) to use, operate, maintain, inspect, repair, remove and replace from time to time any existing pipelines, electrical service, utilities, and any other equipment or facilities used in connection with the Wells, and to draw water from the Wells through said pipelines in such quantities as the grantees may deem desirable;

(d) to install, use, operate, maintain, inspect, repair, remove, relocate and replace from time to time any additional pipelines, electrical wires, poles, guys, and equipment and for the transmission of electricity, other utilities or any other equipment the grantees may deem desirable to use in the operation of the Wells, and to draw water from the Wells through said pipelines in such quantities as the grantees may deem desirable;

(e) to enter upon the Burdened Land at any time and from time to time, and to permit any other person to so enter upon the Burdened Land to perform any and all acts pursuant to grantee's rights under this Deed.

The Burdened Land is other land of the grantor described as follows: -

(a) Lots 1 and 2 shown on Land Court Plan No. 32181A filed with said Registry District in Registration Book 756, Page 36, with Certificate 125186 (for grantor's title see Certificate 157009); and

(b) Lot B shown on Land Court Plan No. 3507A2 filed with said Registry District in Registration Book 65, Page 381 with Certificate 60845, excepting and excluding: (i) Lot B1 shown on Land Court Plan No. 3507B, filed with said Registry District in Registration Book 389, Page 197, and (ii) Lots 1 and 2 shown on Land Court Plan No. 3507C filed with said Registry District in Registration Book 512, Page 318 (for grantor's title see Certificate 157070).

EXHIBIT E

PARCEL II

Three parcels of registered land and any buildings, structures, improvements and fixtures thereon, each bounded and described as follows:

Westerly by land now or formerly of City of Woburn, five hundred seventy-five and 39/100 feet;

Northerly, one hundred five and 45/100 feet, and

Westerly, four hundred two and 83/100 feet, by land now or formerly of Gerard Realty Co., Inc.;

Northerly by land now or formerly of Massachusetts Rifle Association, about four hundred and fifty feet;

Southeasterly by Aberjona River; and

Southerly by land now or formerly of Mable F. Quinn, about two hundred and seventy feet.

Said parcel is shown as lot 1 on Land Court Plan No. 32181A.

Also another certain parcel of land situate in said Woburn, bounded and described as follows:

Northeasterly by land now or formerly of City of Woburn, ninety-five and 60/100 feet;

Southerly by land now or formerly of Mabel F. Quinn, thirty-seven and 06/100 feet; and

Westerly by land now or formerly of Boston and Maine Corporation, ninety-four and 83/100 feet.

Said parcel is shown as lot 2 on Land Court Plan No. 3281A.

All of said boundaries, except the water lines, are determined by the Court to be located as shown on said plan as modified and approved by the Court, filed in the Land Registration Office, a copy of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 756, Page 36, with Certificate 125186.

So much of said lot 1 as lies within the area marked "20.00 wide M.D.C. Sewer Easement", approximately shown on said plan, is subject to the easement set forth in a Taking made by the Commonwealth of Massachusetts, Metropolitan District Commission, dated July 22, 1959, duly recorded in Book 9434, Page 149.

Said lot 1 is subject to the flow of a natural water course running through the same, shown on said plan as Aberjona River.

For grantor's title to said lots 1 and 2, see Certificate 157009.

Also another certain parcel of land situate in said Woburn, bounded and described as follows:

Southeasterly by Salem Street, two hundred forty-six and 61/100 feet;

Southwesterly, five hundred fifty-one and 36/100 feet, and

Southeasterly, two hundred seventy-three and 75/100 feet, by land now or formerly of Hugh A. Quinn et al;

Westerly by land now or formerly of the Boston & Maine Railroad, six hundred seventy-three and 60/100 feet;

Northeasterly by lands now or formerly of Elizabeth Birton et al and of Walker-Johnson Truck Company, measuring on the upland, about three hundred forty-five and 30/100 feet;

Northeasterly by Aberjona River; and

Southeasterly by land now or formerly of Daniel J. Quinn,

measuring on the up-land, about four hundred sixty-eight and 55/100 feet.

Said parcel is shown on Lot B on Land Court Plan No. 3507A.

All of said boundaries, except the river line, are determined by the Court to be located as shown on a plan as approved by the Court filed in the Land Registration Office, a copy of a portion of which is filed in the Registry of Deeds for the South Registry District of Middlesex County in Registration Book 65, Page 381, with Certificate 10845.

There is excepted and excluded from the above-described land lot B1 shown on Land Court Plan No. 3507B, filed in Registration Book 389, Page 197 and lots 1 and 2 shown on Land Court Plan No. 3507C filed in Registration Book 612, Page 138.

Said lot B is subject to such flowage rights as may legally exist, as set forth in Document No. 338765.

For grantor's title to said lot B as described above, see Certificate 157070.

All of the above-described land is subject to an easement contained in a deed by Beatrice Foods Co. to Diana W. Riley and John J. Riley, Jr., dated _____, and filed prior to the filing of this deed.

EXHIBIT F

Accrued Expenses, Trade and
Accounts Payable as of
November 30, 1982

Payables:

Trade	\$43,329
Employees Bond	416
Union Dues	<u>667</u>
	\$44,412

Accrued Expenses:

Vacation	\$15,095
Contributiosn	<u>450</u>
	\$15,545
Total	<u>\$59,507</u>

EXHIBIT G

Base Balance Sheet

PROFIT CENTER NO.

P 20 300 9

BALANCE SHEET

MONTH DAY YEAR

MR-1

DATE 11 30 82

(In Whole Dollars)

PROFIT CENTER NAME

John D. Riley Co.

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.	
1		ASSETS					1
2		CURRENT ASSETS:					2
3	AA	Cash on Hand and in Banks	C501.00	30 941	30 970	3	
4	AB	Central Banking Cash	C502.00	79 548	1205 254	4	
5	AC	Short-Term Investments	C504.00			5	
6	AD	Accounts & Notes Receivable	C509.00	273 267	440 712	6	
7	AE	Less: Allowance for Doubtful Accounts	C515.00	(273 267)	(440 712)	7	
8	AF	Inventories	C519.00	441 450	649 498	8	
9	AG	LIFO Reserve	C528.00			9	
10	AH	Prepaid Expenses-Corp. Office	C530.00	94 872	112 224	10	
11	AI	Prepaid Expenses-Outside	C531.00	1 250		11	
12						12	
13		TOTAL CURRENT ASSETS	C500.00	921 328	2438 658	13	
14		FIXED ASSETS (NET):					14
15	BA	Cost-Beginning of Year	C540.00	1297 230	1634 959	15	
16	BB	Acc. Depreciation-Beginning of Year	C540.50	(844 981)	(1186 674)	16	
17	BC	Asset Additions-Current Year	C541.00		73 524	17	
18	BD	Depreciation Expense-Current Year	C541.50	(62 586)	(63 243)	18	
19	BE	Disposals-Current Year	C542.00			19	
20	BF	Transfers-Current Year	C542.50			20	
21	BG	Work In Progress	C543.00			21	
22						22	
23		TOTAL FIXED ASSETS (NET)	C539.00	389 663	458 566	23	
24		OTHER ASSETS:					24
25	CA	Non-Current Receivables (Net)	C549.00			25	
26	CB	Investments in Affiliated Companies	C560.00			26	
27	CC	Intangible Assets	C569.00			27	
28	CD	Other Non-Current Assets	C590.00			28	
29						29	
30		TOTAL OTHER ASSETS	C548.00			30	
31		TOTAL ASSETS	C599.00	1 310 991	2 897 224	31	
32		LIABILITIES & EQUITY					32
33		CURRENT LIABILITIES:					33
34	MA	Short-Term Debt	C601.00			34	
35	MB	Accounts Payable	C602.00	85 049	86 788	35	
36	MC	Accrued Expenses	C605.00	60 670	51 808	36	
37	MD	Accrued Income Taxes	C635.00		24 510	37	
38	ME	Current Portion of Long-Term Debt	C660.00			38	
39						39	
40		TOTAL CURRENT LIABILITIES	C600.00	145 719	163 106	40	
41		NON-CURRENT LIABILITIES:					41
42	NA	Long-Term Debt	C665.00			42	
43	NB	Other Non-Current Liabilities	C668.00			43	
44	NC	Deferred Credits	C670.00			44	
45	ND	Corporate Office	C639.00	1 782 246	2 415 422	45	
46	NE	Other Intercompany	C659.00	1 703	2 489	46	
47						47	
48		TOTAL NON-CURRENT LIABILITIES	C664.00	1 783 949	2 417 911	48	
49		EQUITY:					49
50	OA	Capital Stock	C680.05			50	
51	OC	Capital Surplus	C680.00			51	
52	OD	Treasury Stock	C680.40			52	
53	OG	Retained Earnings-Beginning of Year	C690.10			53	
54	OH	Dividends	C690.20			54	
55		Accumulated Income (Loss) 8 Months		(496 655)	358 291	55	
56		Current Month Income (Loss)		(122 022)	(420 84)	56	
57	OI	Net Income (Loss)	C695.00	(618 677)	316 207	57	
58						58	
59		TOTAL EQUITY	C680.00	(618 677)	316 207	59	
60		TOTAL LIABILITIES & EQUITY	C699.00	1 310 991	2 897 224	60	

PROFIT CENTER NO.

P 20 300 9

BALANCE SHEET
SUPPORTING SCHEDULES
MR-1S (In Whole Dollars)

MONTH DAY YEAR

DATE 1/ 30 82

PROFIT CENTER NAME

John J. Riley Co.

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.
1		ASSETS				1
2		CURRENT ASSETS				2
3	AA	CASH ON HAND AND IN BANKS:				3
5		Cash on Hand & Unrestricted Demand Deposits	C501.30	30941	30970	5
7		Restricted and Special Purpose Bank Accounts	C501.50			7
8		Compensating Balances	C501.70			8
10		TOTAL MR-1, LINE 3	C501.00	30941	30970	10
11	AB	CENTRAL BANKING CASH:				11
12		Central Bank-Depository	C502.10	1839338	3948696	12
13		Central Bank-Disbursing	C502.20	(179790)	(2743442)	13
14		Central Bank-Compensating Balances	C502.50			14
16		TOTAL MR-1, LINE 4	C502.00	79548	1205254	16
17	AC	SHORT-TERM INVESTMENTS:				17
18		Commercial Paper	C504.20			18
19		Certificates of Deposit & Time Deposits	C504.40			19
20		Government Securities	C504.60			20
21		Other (Please Specify):				21
22						22
23						23
24						24
25						25
26		Total Other	C504.80			26
27						27
28		TOTAL MR-1, LINE 5	C504.00			28
29	AD	ACCOUNTS & NOTES RECEIVABLE:				29
30		Trade Receivables	C510.00	273267	440712	30
31		Notes Receivable	C511.00			31
32		Accounts Receivable-Employee	C512.00			32
33		Extended Term Receivables	C513.00		0	33
34		Other (Please Specify):				34
35						35
36						36
37						37
38						38
39		Total Other	C514.00			39
40						40
41		TOTAL MR-1, LINE 6	C509.00	273267	440712	41
43	AE	LESS: ALLOWANCE FOR DOUBTFUL ACCOUNTS-MR-1, LINE 7	C515.00	()	()	43
44	AF	INVENTORIES:				44
45		Raw Materials	C520.00	119401	182535	45
46		Work In Process	C521.00	322049	466963	46
47		Finished Goods	C522.00			47
49		Manufacturing Supplies and Packaging Materials	C523.00			49
51		Inventory Reserves, Excluding LIFO Reserve (Please Specify):				51
52						52
53						53
54						54
55						55
56						56
57		Total Inventory Reserves	C527.00			57
58						58
59		TOTAL MR-1, LINE 8	C519.00	441450	649498	59
60	AG	LIFO RESERVE-MR-1, LINE 9	C528.00			60

PROFIT CENTER NO.

P 20 300 9

**BALANCE SHEET
SUPPORTING SCHEDULES
MR-1S (In Whole Dollars)**

MONTH

DAY

YEAR

PROFIT CENTER NAME

John & Kelley C.

DATE

11

30

82

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.
1	AH	PREPAID EXPENSES-CORP. OFFICE:				1
2		Division Administrative	C530.10	8 250	6249	2
3		Direct Administrative	C530.20	28 259	26400	3
4		Rent	C530.30			4
5		Insurance Charge	C530.40	√8368	69770	5
6		Beatrice Welfare Fund Charge	C530.50			6
7		Auditing Charge	C530.60			7
8		Advertising Charge	C530.70			8
9		Pension Charge-BRIP	C530.80		8555	9
10		Pension Charge-Service Related Plan	C530.85			10
11		Other Charges	C530.90		1250	11
12						12
13		TOTAL MR-1, LINE 10	C530.00	94872	112224	13
14	AI	PREPAID EXPENSES-OUTSIDE:				14
15		Insurance	C531.10			15
16		Rent	C531.30			16
17		Licenses & Taxes	C531.50	1250		17
18		Income Taxes	C531.70			18
19		Other (Please Specify):				19
20						20
21						21
22						22
23		Total Other	C531.90	1250		23
24						24
25		TOTAL MR-1, LINE 11	C531.00	1250		25
26						26
28		TOTAL CURRENT ASSETS-				
28		MR-1, LINE 13	C500.00	921778	2438658	28
29		FIXED ASSETS (NET)				29
31	BA	COST-BEGINNING OF YEAR-				
31		MR-1, LINE 15	C540.05	1297230	1634959	31
33	BB	ACC. DEPRECIATION-				
33		BEGINNING OF YEAR-MR-1, LINE 16	C540.55	(844981)	(1186674)	33
35	BC	ASSET ADDITIONS-CURRENT YEAR-				
35		MR-1, LINE 17	C541.05		73524	35
37	BD	DEPRECIATION EXPENSE-				
37		CURRENT YEAR- MR-1, LINE 18	C541.55	(62556)	(63243)	37
39	BE	DISPOSALS-CURRENT YEAR-				
39		MR-1, LINE 19	C542.05	()	(0)	39
40	BF	TRANSFERS-CURRENT YEAR:				
41		Transfers-In-Cost	C542.60			41
42		Transfers-In-Acc. Depreciation	C542.70	()	()	42
43		Transfers-Out-Cost	C542.80	()	()	43
44		Transfers-Out-Acc. Depreciation	C542.90			44
45						45
46		TOTAL MR-1, LINE 20	C542.50			46
47	BG	WORK IN PROGRESS-MR-1, LINE 21	C543.00			47
48						48
49						49
51		TOTAL FIXED ASSETS (NET)-				
51		MR-1, LINE 23	C539.00	359663	458566	51
52		OTHER ASSETS				52
53	CA	NON-CURRENT RECEIVABLES (NET):				53
54		Notes Receivable	C551.00			54
55		Deposits and Advances	C552.00			55
56		Extended Term Receivables	C553.00			56
57		Other Receivables	C554.00			57
58		Less: Allowance for Doubtful Accts.	C555.00	()	()	58
59						59
60		TOTAL MR-1, LINE 25	C549.00	0	0	60

PROFIT CENTER NO.

P 20 300 9

BALANCE SHEET
SUPPORTING SCHEDULES
MR-1S (In Whole Dollars)

MONTH DAY YEAR
DATE 11 30 82

PROFIT CENTER NAME John J. Palmer Co.

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.
1		OTHER ASSETS (CONT.)				1
3	CB	INVESTMENTS IN AFFILIATED COMPANIES:				3
4		Subsidiaries in the United States	C560.10			4
5		Subsidiaries Outside the United States	C560.30			5
6		Associated Companies	C560.50			6
7		Joint Ventures	C560.70			7
8						8
9		TOTAL MR-1, LINE 26	C560.00			9
10	CC	INTANGIBLE ASSETS:				10
11		Goodwill-Domestic	C570.00			11
12		Goodwill-International	C575.00			12
13		Patents & Trademarks	C581.00			13
14		Other Intangible Assets	C585.00			14
15						15
16		TOTAL MR-1, LINE 27	C569.00			16
17	CD	OTHER NON-CURRENT ASSETS:				17
18		Restricted Cash	C590.10			18
19		Miscellaneous Investments	C590.30			19
20		Bottles and Cases	C590.50			20
21		Other	C590.90			21
22						22
23		TOTAL MR-1, LINE 28	C590.00			23
24						24
25		TOTAL OTHER ASSETS-MR-1, LINE 30	C548.00			25
26		TOTAL ASSETS-MR-1, LINE 31	C599.00	1310991	2897224	26
27		LIABILITIES & EQUITY				27
28		CURRENT LIABILITIES				28
29	MA	SHORT TERM DEBT:				29
30		Bank Overdrafts	C601.10			30
31		Short-Term Debt Under Credit Lines	C601.20			31
32		Commercial Paper	C601.30			32
33		Other Short-Term Debt	C601.70			33
34						34
35		TOTAL MR-1, LINE 34	C601.00			35
36	MB	ACCOUNTS PAYABLE:				36
37		Trade Payables	C602.10	43329	37543	37
38		Employee Payroll Withholdings	C602.20	41720	49245	38
39		Taxes and Duties	C602.30			39
40		Other Payables	C602.60			40
41						41
42		TOTAL MR-1, LINE 35	C602.00	85049	86788	42
43	MC	ACCRUED EXPENSES:				43
44		Interest	C610.00			44
45		Taxes (Other Than Income Taxes)	C620.00	12695	21527	45
46		Employee Compensation	C630.00	15095	24915	46
47		Pension and Profit Sharing	C632.00	25668		47
48		Other Accrued Expenses	C634.00	7212	5366	48
49						49
50		TOTAL MR-1, LINE 36	C605.00	60670	51808	50
51	MD	ACCRUED INCOME TAXES:				51
52		State and Local Taxes	C635.10		24510	52
53		Federal Taxes	C635.20			53
54		Other Accrued Taxes on Income	C635.60			54
55		TOTAL MR-1, LINE 37	C635.00		24510	55
57	ME	CURRENT PORTION OF LONG-TERM DEBT- MR 1, LINE 33	C660.10			57
58						58
60		TOTAL CURRENT LIABILITIES-MR-1, LINE 40	C600.00	145721	163106	60

PROFIT CENTER NO.

P 20 300 9

**BALANCE SHEET
SUPPORTING SCHEDULES
MR-1S (In Whole Dollars)**

MONTH

DAY

YEAR

DATE

1/1

30

82

PROFIT CENTER NAME

John & Robert

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.
1		NON-CURRENT LIABILITIES				1
2	NA	LONG-TERM DEBT-MR-1, LINE 42	C665.10			2
4	NB	OTHER NON-CURRENT LIABILITIES:				4
5		Deferred Compensation	C668.10			5
6		Pension and Profit Sharing	C668.20			6
7		Employee Severance	C668.30			7
8		Customer Deposits	C668.40			8
9		Warranty	C668.50			9
10		Other (Please Specify):				10
11						11
12						12
13						13
14						14
15		Total Other	C668.90			15
16						16
17		TOTAL MR-1, LINE 43	C668.00			17
18	NC	DEFERRED CREDITS:				18
19		Investment Tax Credit	C670.10			19
20		Income	C670.20			20
21		Income Taxes	C670.30			21
22		Other Deferred Credits	C670.90			22
23						23
24		TOTAL MR-1, LINE 44	C670.00			24
25	ND	CORPORATE OFFICE:				25
26		"640" Account	C640.00	1822941	2463025	26
27		Interest Paid-Corporate Office	C655.00	(40695)	(47663)	27
28		Other-Corporate Office	C656.00			28
29						29
30		TOTAL MR-1, LINE 45	C639.00	1782246	2415422	30
31	NE	OTHER INTERCOMPANY:				31
33		PROFIT CENTER NAME	PROFIT CENTER NUMBER	(RECEIVABLE) PAYABLE	(RECEIVABLE) PAYABLE	33
34		STAN - FINISH	P 204927	1703	2489	34
35			P			35
36			P			36
37			P			37
38			P			38
39			P			39
40			P			40
41			P			41
42			P			42
43			P			43
44			P			44
45			P			45
46			P			46
47			P			47
48			P			48
49			P			49
50			P			50
51			P			51
52			P			52
53			P			53
54			P			54
55			P			55
56			P			56
57			P			57
58			P			58
59			P			59
60		SUB-TOTAL (To Page 5 of 5)		1703	2489	60

PROFIT CENTER NO.

P 20 300 9

BALANCE SHEET
SUPPORTING SCHEDULES
MR-1S (In Whole Dollars)

MONTH

DAY

YEAR

PROFIT CENTER NAME

John S. Riley Co.

DATE

11

90

82

Line No.	Sch.	DESCRIPTION	CODE	THIS YEAR	LAST YEAR	Line No.
1		NON-CURRENT LIABILITIES				1
2	NE	OTHER INTERCOMPANY: (CONT.)				2
4		PROFIT CENTER NAME	PROFIT CENTER NUMBER	(RECEIVABLE) PAYABLE	(RECEIVABLE) PAYABLE	4
5		SUB-TOTAL (From Page 4 of 5)		1703	2489	5
6			P			6
7			P			7
8			P			8
9			P			9
10			P			10
11			P			11
12			P			12
13			P			13
14			P			14
15			P			15
16			P			16
17			P			17
18			P			18
19			P			19
20		TOTAL MR-1, LINE 46	C659.00	1703	2489	20
21						21
23		TOTAL NON-CURRENT LIABILITIES- MR-1, LINE 48	C664.00	1783949	2417911	23
24		EQUITY				24
25	OA	CAPITAL STOCK:				25
26		Preferred Stock	C680.10			26
27		Common Stock	C680.20			27
28		TOTAL MR-1, LINE 50				28
29	OC	CAPITAL SURPLUS-MR-1, LINE 51	C680.30			29
30	OD	TREASURY STOCK-MR-1, LINE 52	C680.40	()	()	30
32	OG	RETAINED EARNINGS- BEGINNING OF YEAR-MR-1, LINE 53	C690.10			32
33	OH	DIVIDENDS:				33
34		Dividends (Declared):				34
35		Beatrice Foods Co.				35
36		Other Beatrice Profit Centers				36
37		Non-Beatrice Shareholders				37
38		Subtotal-Dividends (Declared)	C690.25			38
40		Dividends Received- (Please Specify Profit Center):				40
41						41
42						42
43						43
44						44
45						45
46						46
47						47
48		Subtotal-Dividends Received	C690.28			48
49		TOTAL MR-1, LINE 54	C690.20			49
50						50
51	OI	NET INCOME (LOSS):				51
53		Accumulated Income (Loss) 8 Months		(496655)	358291	53
54		Current Month Income (Loss)		(122022)	(42084)	54
55		TOTAL MR-1, LINE 57	C695.00	(618677)	316207	55
56						56
57						57
58		TOTAL EQUITY MR-1, LINE 59	C680.00	(618677)	316207	58
60		TOTAL LIABILITIES & EQUITY MR-1, LINE 60	C699.00	1310491	2897224	60

INCOME STATEMENT

MR-1000

(In Whole Dollars)

PROFIT CENTER NO. P20 300 9

MONTH DAY YEAR
DATE: 11 30 82

PROFIT CENTER NAME John J. Reley Co

Line No.	MONTH			MR SCH.	DESCRIPTION	CODE	YEAR TO DATE ¹			Line No.
	LAST YEAR	FORECAST	ACTUAL				ACTUAL	FORECAST	LAST YEAR	
1	246,259		159,023	1000A	Gross Outside Sales	C9200	2,257,760		4,287,038	1
2				1000A	Less: Discounts & Allowances	C9288				2
3	246,259		159,023		NET OUTSIDE SALES		2,257,760		4,287,038	3
4				1000A	Intercompany Sales	C9276				4
5	246,259		159,023		TOTAL NET SALES		2,257,760		4,287,038	5
6	286,840		26,831	1000A	Cost of Sales	C6000	2,672,575		3,765,968	6
7	(40,581)		(10,281)		GROSS MARGIN		(414,815)		521,070	7
8	1192		658	1000A	Selling Expense	C7000	11,324		2,986	8
9	21,110		23,766	1000A	Administrative Expense	C8000	237,041		253,551	9
10	(20,799)		(523)	1000A/1040	Other (Income) Expense	C9300	(44,502)		(51,674)	10
12	(42,084)		(122,622)		NET INCOME (LOSS) MR-1, LINES 56 & 57	C1000	(618,678)		316,207	12
13										13
14										14
15										15
STATISTICS										
18	100%	100%	100%		Total Net Sales		100%	100%	100%	18
19	116.48		164.65		Cost of Sales		118.37		87.84	19
20	(16.48)		(64.65)		Gross Margin		(18.37)		12.16	20
21	.48		.41		Selling Expense		.50		.07	21
22	8.57		14.94		Administrative Expense		10.50		5.91	22
23	(8.44)		(3.26)		Other (Income) Expense		(1.97)		(1.20)	23
24	(17.09)		(76.74)		Net Income (Loss)		(27.40)		7.38	24
25										25
26										26
27										27
BALANCE SHEET ANALYSIS										
30										30
31					Days Outstanding - Receivables					31
32										32
33					Inventory Turnover					33
34										34
35					Working Capital					35
36										36

PROFIT CENTER NO. **P 20 300 9**

PROFIT CENTER NAME *John D. Riley Co.*

SUPPLEMENTAL INCOME DATA
MR-1040
 (In Whole Dollars)

DATE: MONTH **11** DAY **30** YEAR **82**

Line No.	MONTH			MR SCH.	DESCRIPTION	CODE	YEAR TO DATE			Line No.
	LAST YEAR	FORECAST	ACTUAL				ACTUAL	FORECAST	LAST YEAR	
1					OTHER (INCOME) EXPENSE					1
2					Interest Expense - Outside	C9380				2
3	699				Interest (Income) - Outside	C9310				3
4					Interest (Income) Expense					4
5	(21059)		(4798)		-Corporate Office	C9381	(40695)		(47663)	5
6					-Intercompany	C9382				6
7	(439)		(415)		Rent (Income)	C9303	(3807)		(4011)	7
8					Royalty/Tech. Fee (Income)					8
9					-Outside	C9325				9
10					-Intercompany	C9326				10
12					(Gain) Loss on Sale of Fixed Assets	C9306				12
13					Commission (Income)	C9320				13
14					Exchange (Gain) Loss	C9364				14
15					Other (Income) Expenses	C9307				15
16										16
17	(20799)		(5213)		TOTAL MR-1000, LINE 10		(44502)		(51674)	17
18					ADDITIONAL EXPENSE DATA					18
19					Depreciation Expense:					19
20	6563		6954		-Manufacturing	C6199	62586		63243	20
21					-Selling	C7199				21
22					-Administrative	C8199				22
23	6563		6954		SUB-TOTAL MR-1, LINE 18		62586		63243	23
24	(2865)				State Income Tax	C8187			24510	24
25										25
26	3698		6954		TOTAL	C0100	62586		87753	26

MR-1040S

Line No.	NUMBER OF EMPLOYEES			PAYROLL DATA	YEAR TO DATE EXPENSE			Line No.	
	LAST YEAR	THIS YEAR	(EM)		REGULAR (RG)	OVERTIME (OT)	TOTAL (TL)		
29				VARIOUS EXPENSE ITEMS				29	
30				Corp. Office Annual Adv. Expense	S8173			30	
31	2083		2750	Administrative Expense-Divisional	S9198	24750		18751	31
32									32
33	2083		2750	TOTAL	S0150	24750		18751	33
34									34
35									35
36									36
37		70	63	Production	S6115	826727	8928	835665	37
38				Selling	S7115				38
39				Distribution	S5115				39
40		3	3	Administrative	S8115	43014		43014	40
41		73	66	TOTAL	S9115	869751	8928	878679	41

Reporting Unit No. **20 300 9**

SCHEDULE OF CAPITAL ASSET ADDITIONS AND WORK IN PROGRESS
FORM MR-30A
 (USE WHOLE DOLLARS ONLY)

Date **11 30 82**
 Month Day Year

Reporting Unit Name John J. Riley Co.

Plant (Branch) Number	A/C No.	Life YRS. MOS	Inventory Tag Number	Description Include: Make and Model (Limit to 40 Positions)	Repl. Cost Code	N or U	XG-1 Number	Work In Progress	Capital Additions	Current Year Depreciation
Beginning Balance										
NONE										
Current Mo. Depr'n expense required on prior year additions (Per P/Y Sch.)										
Balance—should agree to MR-1										
Add: Work in Progress to Capital Additions										
Net Change in Other Fixed Assets—excluding depreciation										
Less: 2/28 Work in Progress Balance (Prior Year-Ending Balance)										
Net Book Value of Disposals—Form MR-30D										
Net Capital Expenditures										
Year-to-Date Budget—Form PJ-3										
Over (Under) Budget										

*For vehicles, enter the last six digits of the assets serial number.

COST OF SALES (MR 111)

PLANT NO. 20 300 9

MONTH DAY YEAR
DATE 11 30 82

PLANT NAME: John J. Riley Co.

Line No.	MONTH		Schedule or Acct. Number	(Cents omitted from this report)	YEAR TO DATE	
	Last Year	This Year			This Year	Last Year
1.	196 970	158 042	1085	Opening Inv. Raw Materials	241 238	170 284
2.	44 577	62 278	1075	Purchase of Materials	666 535	1 075 989
3.	1 054	759	2000	Procurement Cost - Excl. Labor	13 836	18 614
4.			MR 132	Procurement & Labor		
5.	(182 535)	(119 461)	1085	Less Ending Inv. Raw Mat.	(119 461)	(182 535)
6.						
7.	60 066	101 678		RAW PRODUCT COST	202 308	1 082 352
8.			MR 112	Mfg. & Proc. Expenses	1 822 549	2 633 977
9.	196 526	215 823				
10.						
11.	256 592	317 501		COST OF GOODS MANUFACTURED	2 624 857	3 716 329
12.				Finished Products		
13.			6075	Purchases - Outside		
14.			6076	Purchases - Inter-Co.		
15.						
16.	497 694	266 691	6085	Opening Inv. Finished Goods	373 189	523 074
17.	(466 963)	(322 049)	6085	Less Ending Inv. Finished Goods	(322 049)	(466 963)
18.						
19.	287 323	262 143	MR 110	COST OF SALES	2 675 947	3 772 440

**MANUFACTURING AND PROCESSING
EXPENSES (MR 112)**

MONTH DAY YEAR
DATE 11 30 82

PLANT NO. 20 300 9

PLANT NAME: *John J. Riley Co*

Line No.	MONTH		Schedule or Acct. Number	(Cents omitted from this report)	YEAR TO DATE	
	Last Year	This Year			This Year	Last Year
1.			4000	MFG. & PROCESSING EXPENSES		
2.		57,187	3115	Direct Labor <i>x Vac. Payroll</i>	480,933	874,407
3.		37,437	4115	Indirect Labor	354,732	360,989
4.			4116	Supplies		
5.			4117	Bottles - Glass		
6.			4118	Bottles - Paper		
7.			4119	Cans - Paper		
8.			4120	Case & Can Maintenance		
9.		31,633	4121	Utilities	269,403	443,557
10.		5,461	4122	S.O. & P.C.	81,400	114,456
11.		16,133	4123	Repairs & Maintenance	158,065	250,194
12.		4,751	4124	Equipment Rentals	51,332	37,975
13.		2,712	4125	Custom Work	29,528	44,520
14.			4167	Meeting & Traveling		
15.		812	4171	Building Maintenance	12,187	17,325
16.			4172	Rent (Land & Building)		
17.		1,000	4184	Insurance	9,000	9,000
18.		1,293	4186	Licenses & Taxes	28,955	20,921
19.		7,030	4189	Payroll Taxes	70,633	100,830
20.		2,666	4191	Annuities & Pensions	50,698	65,951
21.		21,848	4192	Other Employee Benefits	163,157	230,609
22.		6,563	4199	Depreciation	62,586	63,243
23.						
24.						
25.						
26.						
27.		196,526	MR 111	TOTAL MFG. & PROC. EXPENSES	1,822,549	2,633,977

US EPA ARCHIVE DOCUMENT

SELLING EXPENSES (MR 113)

PLANT NO. 203009

MONTH DAY YEAR
DATE 113082

PLANT NAME: *John D. Kellogg Co.*

Line No.	MONTH		Schedule or Acct. Number	(Cents omitted from this report)	YEAR TO DATE	
	Last Year	This Year			This Year	Last Year
1.			7000	SELLING EXPENSES		
2.			7078	Transp. to Sub Branches		
3.			7083	Warehouse Charges		
4.			7115	Handling Labor		
5.			7116	Branch Supplies		
6.			7121	Branch Utilities		
7.			7122	Branch S.Q. & P.C.		
8.			7123	Branch Maintenance		
9.			7148	Brokerage		
10.			7149	Routemen's Salaries		
11.			7150	Delivery Expense		
12.			7151	Transp. - Outbound		
13.			7152	Ice		
14.			7154	Salesmen's Salaries		
15.			7155	Cab. & Disp. Labor		
16.			7156	Cab. & Disp. Expense		
17.			7157	Cab. & Disp. Rental		
18.			7167	Meeting & Traveling		
19.			7168	Call Order Dept. Salaries		
20.			7170	Telephone		
21.			7172	Rent (Land & Buildings)		
22.		1192	658	7173 Advertising & Sales Pro.	11 523	2986
23.			7184	Insurance		
24.			7186	Licenses & Taxes		
25.			7189	Payroll Taxes		
26.			7191	Annuities & Pensions		
27.			7192	Other Employee Benefits		
28.			7199	Depreciation		
35.		1192	658	MR 110 TOTAL SELLING EXPENSES	11 523	2986

PLANT NO. **20 300 9**

**ADMINISTRATIVE & OTHER EXPENSES
(INCOME) (MR 114)**

MONTH DAY YEAR
DATE **11 30 82**

PLANT NAME: *John D. Riley Co.*

Line No.	MONTH		Schedule or Acct. Number	(Cents omitted from this report)	YEAR TO DATE	
	Last Year	This Year			This Year	Last Year
1.			8000	ADMINISTRATIVE EXPENSES		
2.			166	Manager's Salary		
3.	4 686	2 710	167	Meeting & Traveling	35 460	36 500
4.	4 556	4 846	168	Office Salaries	43 014	51 249
5.	723	646	169	Office Operating Expenses	12 462	8 194
6.			165	Rental-Office Equipment		
7.	831	965	170	Telephone-Telegraph	9 416	7 596
8.			171	Building Maintenance		
9.			172	Rent (Land & Buildings)		
10.	1 380	1 213	174	Association Dues	6 314	17 562
11.			175	Contributions	450	2 000
12.	916	1 218	176	Legal and Proceedings	20 419	9 100
13.	(21 059)	(4 798)	178	Interest Paid-Chicago	(40 195)	(47 663)
14.			179	Interest Paid-Outside		
15.			184	Insurance		
16.	(2 865)		186	Licenses & Taxes		24 510
17.			187	Taxes-State Income		
18.			189	Payroll Taxes		
19.			190	Bad Accounts		
20.			191	Annuities & Pensions		
21.			192	Other Employee Benefits		
22.			197	Admin. Exp.-Branch	109 516	96 840
23.	10 883	12 168	198	Admin. Exp.-Gen. Co. }		
24.			199	Depreciation		
25.						
26.						
27.	51	18 968	MR 110	TOTAL ADMINISTRATIVE EXP.	196 546	205 888
28.						
29.			9000	OTHER EXPENSES (INCOME)		
30.	699		9301	Interest Income & Dividends		
31.	(483)	(309)	9302	Purchase Discounts	(3 422)	(6 472)
32.	(439)	(415)	9303	Rent Income	(3 807)	(4 011)
33.				Misc.		
34.				GAIN ON DISPOSAL OF CAPITAL ASSET		
35.						
36.	(223)	(724)	MR 110	TOTAL OTHER EXP. (INCOME)	(7 229)	(10 483)
37.						

**AGED ACCOUNTS AND NOTES RECEIVABLE
SUMMARY REPORT AR-34**
(In Whole Dollars)

*Profit
Collection*

Profit Center No. 20 - 300 - 9

Date Month 11 Day 30 Year 82

Profit Center Name John J. Reley Co.

Line	NET OUTSIDE SALES (CURRENT MONTH)	Code	Amount
1	Cash Sales	8303	
2	Charge Sales	8400	209 023
3	TOTAL NET OUTSIDE SALES (MR-1000, LINE 3)	8500	209 023

Line	ACCOUNTS & NOTES RECEIVABLE	Code	Amount	Amount
4	Trade Receivables:			
5	Current	1260		
6	1-30 Days Past Due	1287	273 267	
7	31-60 Days Past Due	1295		
8	Over 60 Days Past Due	1309		
9	Unaged Balances (Authorized Profit Centers Only)	1313		
10	Less: Reserve For Sales Discounts and Allowances	1422		
11	Subtotal (MR-1S, Sch. AD, Line 30)			273 267
12	Current Extended Terms Receivable (MR-1S, Sch. AD, Line 33)			
13	Non-Current Extended Terms Receivable (MR-1S, Sch. CA, Line 56)			
14	Total Extended Terms Receivable	1279		
15	Current Notes Receivable (MR-1S, Sch. AD, Line 31)	1317		
16	Non-Current Notes Receivable (MR-1S, Sch. CA, Line 54)	1355		
17	Sundry Receivables	1325		
18	TOTAL ACCOUNTS & NOTES RECEIVABLE	1360		273 267

Line	ALLOWANCE FOR DOUBTFUL ACCOUNTS-RECONCILIATION	Code	Amount
19	Beginning Balance (Prior Month Ending Balance)	1376	
20	Add: Current Month Provision For Doubtful Accounts	1380	
21	Add: Recoveries Made During The Current Month	1384	
22	Less: Write-Offs Made During The Current Month	1390	
23	Ending Balance (MR-1S, Sch. AE, Line 43 plus MR-1S, Sch. CA, Line 58)	1392	

BEATRICE FOODS CO.
 INTEREST PAID – CORPORATE OFFICE
 SUMMARY
 (MR-79)

W. J. ...

Profit Center No.: 20 300 9
 Profit Center Name: John J. Kelley Co. Expense (Income) For Month of Nov-82

<u>Item</u>	<u>Amount Charge (Credit)</u>
1. Base Charge	a) <u>1090</u>
Less: Long-Term Debt Interest Expense	b) <u>—</u>
Net Base Charge	c) <u>1090</u>
2. Cash Utilization Charge (Credit)	<u>(1888)</u>
3. Excess Working Capital Charge	<u>—</u>
4. Adjustments	<u>—</u>
5. Total Expense (Income)—Current Month	<u><u>(4798)</u></u>

Beatrice Foods Co.

J. J. Curry
Interest Paid-Corporate Office
Excess Working Capital Charge
(MR-78a)

PROFIT CENTER NO.

20 300 9

PROFIT CENTER NAME

John J. Peley Co.

CHARGE FOR CURRENT MONTH OF

Nov - '82

Line No.	Month	Net Outside Sales		Cost of Sales		Line No.
		Current Year	Prior Year	Current Year	Prior Year	
1	Prior <u>OCTOBER</u>	185	434	201	422	1
2	2nd Prior <u>SEPTEMBER</u>	240	430	281	362	2
3	3rd Prior <u>AUGUST</u>	79	444	155	377	3
4						4
5	Total Current Year	<u>504</u>		<u>637</u>		5
6	Total Prior Year		<u>1308</u>		<u>1161</u>	6
7	Line 5 Divided by 6	<u>.385</u>		<u>.549</u>		7
8						8
9				Net Accounts Receivable	Inventories	9
10						10
11						11
12	Balance - Prior Month, Prior Year - Computed			<u>653523</u>	<u>725421</u>	12
13						13
14	Computed Base Balance (Line 7 Times Line 12)			<u>251606</u>	<u>398256</u>	14
15						15
16	Balance - Prior Month, Current Year - Actual			<u>356547</u>	<u>424733</u>	16
17						17
18	Difference (Line 16 Minus Line 14)			<u>(104741)</u>	<u>(26477)</u>	18
19	Sum of Increase (Decrease)					19
20	in Net Accounts Receivable					20
21	and Inventory - Current Year				<u>(131218)</u>	21
22						22
23	<u>ACCOUNTS PAYABLE</u>					23
24	Balance Prior Month, Prior Year			<u>87525</u>		24
25	Balance - Prior Month, Current Year			<u>50575</u>		25
26						26
27	Difference (Line 24 Minus Line 25)				<u>36950</u>	27
28						28
29						29
30	Total Increase (Decrease) in Working					30
31	Capital - Current Year (Line 21 Plus Line 27)				<u>(94268)</u>	31
32						32
33	Total Increase (Decrease) in Working					33
34	Capital - Prior Year			<u>265449</u>		34
35						35
36	Rate [See Section A - 3 - 1(F)]				<u>.01</u>	36
37						37
38	Total Excess Working Capital Charge (Line 35 Times Line 30)				<u>(943)</u>	38

LABOR DISTRIBUTION (MR 132)

PLANT NO. 20 300 9

DATE MONTH DAY YEAR
11 30 82

PLANT NAME:

Line No.	MONTH		Schedule or Acct. Number	(Cents omitted from this report)	No. of Employees		YEAR TO DATE	
	Last Year	This Year			This Year	Last Year		
1.				DIRECT LABOR				
2.			MR 111	Procurement (2101-2108)				
3.	57187	63866	MR 112	Proc. & Pkg. (3115) ^{+ 3115 Pa-coll}	47	59	480	933
4.	57127	63866		Total Direct Labor	47	59	480	933
5.								
6.			4115	INDIRECT LABOR				
7.	26634	29811		Supervision	10	4	252	214
8.				Cooler & Dock				
9.				Power				
10.	10803	16365		Plant Maintenance	6	7	102	518
11.				Janitor, Watchmen, etc.				95268
12.	37437	46176	MR 112	Total Indirect	16	11	354	732
13.								
14.			7000	SELLING EXPENSES				
15.				Assigned to Routes				
16.				Route Supervisors				
17.				Rif Men. Skprs, Trnes				
18.				Sub Total				
19.				Branch Labor				
20.				Salesmen				
21.				Cabinet & Disp. Maint.				
22.								
23.			MR 113	Total Selling				
24.								
25.				MOTOR VEHICLE DEPT.				
26.				Garage				
27.				Labor, Dray & Trans.				
28.			MR 129	Total Motor Vehicle				
29.								
30.			8000	ADMINISTRATIVE				
31.				General Manager				
32.	4556	4846		Office Salaries	3	3	43	014
33.	4556	4846	MR 114	Total Admin.	3	3	43	014
34.	99180	114888		GRAND TOTALS	66	73	878	679
35.				O.T. WAGES-PLANT				
36.				O.T. WAGES-ROUTES				

CONVERSION SCHEDULE
MR-1000A
100 SERIES

PROFIT CENTER NO. P20 300 9

MONTH DAY YEAR
DATE: 11 30 82

PROFIT CENTER NAME John J. Riley Co

Line No.	MONTH			MR SCH.	DESCRIPTION	CODE	YEAR TO DATE			Line No.
	LAST YEAR	FORECAST	ACTUAL				ACTUAL	FORECAST	LAST YEAR	
1					GROSS OUTSIDE SALES:					1
2	246,259		157,023	110	Gross Outside Sales	9200	2,257,760		4,287,038	2
3					Include: Scrap Sales					3
4	246,259		159,023		TOTAL MR-1000, line 1	C9200	2,257,760		4,287,038	4
5										5
6				110	DISCOUNTS & ALLOWANCES MR-1000, line 2	9288				6
7				110	INTERCOMPANY SALES MR-1000, line 4	9276				7
8					COST OF SALES:					8
9	267,323		262,143	110	Cost of Sales	6000	2,675,997		3,772,440	9
10	(483)		309	114	Include: Purchase Discounts	9302	3,422		6,472	10
11										11
12										12
13										13
14	286,840		261,830		TOTAL MR-1000, line 6	C6000	2,672,575		3,765,968	14
15					SELLING EXPENSE:					15
16	1192		658	110	Selling Expenses	7000	11,324		2,986	16
17										17
18										18
19										19
20										20
21	1192		658		TOTAL MR-1000, line 8	C7000	11,324		2,986	21
22					ADMINISTRATIVE EXPENSE:					22
23	✓1		18,968	110	Administrative Expenses	8000	196,346		205,588	23
24	(21,059)		(1,798)	114	Exclude: Interest Paid-Outside	8179	(40,695)		(47,663)	24
25				114	Interest Paid-Chicago	8178				25
26										26
27	21,110		23,766		TOTAL MR-1000, line 9	C8000	237,041		253,551	27
28					OTHER (INCOME) EXPENSE:					28
29	(223)		(724)	110	Other Expenses (Income)	9300	(7229)		(10,483)	29
30			(1,798)	114	Include: Interest Paid-Outside	8179	(40,695)			30
31	(21,059)			114	Interest Paid-Chicago	8178			(47,663)	31
32	483		309	114	Exclude: Purchase Discounts	9302	3,422		6,472	32
33					Scrap Sales					33
34										34
35										35
36	(20,791)		(5,213)		TOTAL MR-1000, line 10	C9300	(44,502)		(51,674)	36

Inventory Note
Exhibit H

Promissory Note

\$ _____

January 6, 1983
Boston, Massachusetts

For Value Received John J. Riley Company, Inc., a Massachusetts corporation ("Obligor"), promises to pay to the order of Beatrice Foods Co., a Delaware corporation ("Obligee"), the principal sum of \$ _____ in three installments of \$ _____ each on February 6, 1983 and March 6, 1983, and April 6, 1983. The unpaid portion of the principal amount hereof shall bear interest (calculated on the basis of 365, or when applicable 366, day year) from the date hereof at a rate of 9% per annum, payable on April 6, 1983. Whenever any payment of principal or interest is five (5) days overdue, Obligor may declare the entire unpaid balance due and such balance shall bear interest at eighteen percent (18%) per annum until paid in full.

Payments of principal and interest shall be made in lawful money of the United States of America at the principal office of Obligee in Chicago, Illinois.

This Note may, at the option of the Obligor, be prepaid in whole or in part, without premium, at any time. Notwithstanding the foregoing, no prepayment of less than the entire unpaid principal amount of the Note shall relieve the Obligor from its obligation to make the installment payments provided for herein.

The Obligor agrees to pay all reasonable expenses (including legal expenses and attorneys' fees) incidental to the collection or enforcement of this Note.

The Obligor hereto waives presentment for payment, notice of dishonor, protest and notice of protest.

This Note is secured by a Stock Pledge Agreement of even date.

This Note shall be governed by and be construed in accordance with the laws of the State of Massachusetts.

John J. Riley Company

By _____
Its President

EXHIBIT I

PLEDGE AND SECURITY AGREEMENT

THIS PLEDGE AND SECURITY AGREEMENT (the "Pledge Agreement") is entered into this _____ day of January, 1983 by and among JOHN J. RILEY, JR. (the "Pledgor") and BEATRICE FOODS CO., a Delaware corporation ("Pledgee").

WHEREAS, Pledgor and his wife are the sole shareholders of all of the issued and outstanding stock of JOHN J. RILEY COMPANY, a Massachusetts corporation (the "Company"); and

WHEREAS, concurrently herewith the Company and Pledgor are acquiring the business and certain assets of Pledgee's leather processing facilities in Woburn, Massachusetts, known as the John J. Riley Co. Division of Pledgee (the "Division"), pursuant to an Asset Purchase Agreement dated as of January ____, 1983; and

WHEREAS, in connection with such purchase, Pledgee requires that Pledgor pledge certain shares of his stock of Pledgee (as more particularly described in Exhibit "A" attached hereto) (the "Pledged Stock") to secure the Company's performance of its obligations pursuant to a Promissory Note of even date for the in the original principal amount of \$ _____ (the "Note") (subject to post-closing readjustment and substitution of a new promissory note reflecting such readjustment) for the inventory of the Division purchased from Pledgee by the Company (including, without limitation, raw materials and works in progress) as more particularly described in Exhibit "B" attached hereto;

NOW, THEREFORE, in consideration of the premises and in order to induce Pledgee to extend credit in the form of the Note to the Company, Pledgor agrees with Pledgee as follows:

1. Warranties and Representations. Pledgor warrants and represents to Pledgee that he is the sole owner (legally, beneficially and of record) of, and has good and marketable title to each share of the Pledged Stock. Pledgor further warrants and represents to Pledgee that the Pledged Stock is subject to no pledge, lien, mortgage, security interest, charge, option or other encumbrance. Pledgor covenants and agrees that he will defend the Pledgee's right, title and security interest in and to the Pledged Stock and the proceeds thereof against the claims and demands of all persons whomsoever. The Pledgor further covenants and agrees that he will have like title to and right to pledge any other property at any time hereafter pledged to the Pledgee as Collateral hereunder and will likewise defend the Pledgee's right thereto and security interest therein.

2. Pledge. Pledgor hereby pledges, assigns, hypothecates, transfers, and delivers to the Pledgee all of the interest in the Pledged Stock and hereby grants to the Pledgee a first lien on, and security interest in, the Pledged Stock and in all proceeds thereof, together with appropriate undated stock powers duly executed in blank, as collateral security for (a) the prompt and complete payment when due (whether at the stated maturity, by acceleration or otherwise) of the unpaid principal of (and any interest) on the Note, and (b) the due and punctual payment and performance by the Company and Pledgor of all their respective obligations and liabilities under, arising out of and in connection with this Pledge Agreement, and a Security Agreement of even date securing payment of sums owed to Pledgee for the accounts receivable of the Division pursuant to a Promissory Note of even date in the original principal amount of \$ _____ (the "Security Agreement") (collectively, the "Obligations").

3. Stock Dividends, Distributions, etc. If, while this Pledge Agreement is in effect, Pledgor shall become entitled to receive or shall receive any stock certificate (including, without limitation, any certificate representing a stock dividend or a distribution in connection with any reclassification, increase or reduction of capital, or issued in connection with any reorganization), options or rights, whether as an addition to, in substitution of, or in exchange for any shares of any Pledged Stock, or otherwise, such Pledgor agrees to accept the same as the Pledgee's agent and to hold the same in trust on behalf of and for the benefit of the Pledgee and to deliver the same forthwith to the Pledgee in the exact form received, with the endorsement of Pledgor when necessary and/or appropriate undated stock powers duly executed in blank, to be held by the Pledgee, subject to the terms hereof, as collateral security for the Obligations. Any sums paid upon or in respect of the Pledged Stock upon the liquidation or dissolution of the Pledgee shall be paid over to the Pledgee or its designated agent to be held by it as collateral security for the Obligations, and in case any distribution of capital shall be made on or in respect of the Pledged Stock or any property shall be distributed upon or with respect to the Pledged Stock pursuant to the recapitalization or reclassification of the capital of the Pledgee or pursuant to the reorganization thereof, the property so distributed shall be delivered to the Pledgee to be likewise held as collateral security for the Obligations. All sums of money and property so paid or distributed in respect of the Pledged Stock which are received by Pledgor shall, until paid or delivered to the Pledgee, be held by Pledgor in trust as collateral security for the Obligations.

4. Collateral. All property at any time pledged with the Pledgee hereunder (whether described herein or not) and all proceeds thereof are herein collectively sometimes called the

"Collateral". The number of shares of Pledged Stock subject to the terms and conditions of this Pledge Agreement at any time shall be at least equal in value (as hereinafter computed) to the outstanding principal balance owed to Pledgee by the Company pursuant to the Note at any time (together with any interest), plus an additional 20% of such sum (such number of shares hereinafter called the "minimum Pledged Shares"). Consistent with the foregoing, Pledgor may at any time during the existence of this Pledge Agreement, provided that he is not otherwise in default hereunder, deliver written notice to Pledgee requesting redelivery of all or a portion of the Pledged Stock that exceeds the minimum Pledged Shares. For purposes hereof, the value of the minimum Pledged Shares shall be equal to the average closing price per share on the New York Stock Exchange for the fifteen (15) trading days preceding the date of the written notice of Pledgor's intent to sell Pledged Stock. Within two business (2) days after the receipt of such written notice, Pledgee shall issue to Pledgor from the Pledged Stock, free and clear of this Pledge Agreement, such number of shares thereof as Pledgor requests redelivery of that exceed the minimum Pledged Shares. If, for whatever reason, however, at any time during the existence of this Pledge Agreement, the number of shares of Pledged Stock does not at least equal in value one hundred ten percent (110%) of the Obligations, immediately upon written request from Pledgee, Pledgor shall redeliver to the Pledgee a sufficient number of shares of Pledged Stock, together with appropriate stock powers, to total the minimum Pledged Shares.

5. Cash Dividends; Voting Rights. Provided the Pledgor is not in default hereunder, he shall be entitled to receive all cash dividends paid in respect of the Pledged Stock, to vote the Pledged Stock and to give consents, waivers and ratifications in respect of the Pledged Stock.

6. Amendments, Modifications and Waivers with Respect to Obligations. Pledgor hereby consents that, without the necessity of any reservation of rights against him and without notice to or further assent by Pledgor, Pledgee may rescind any demand made for payment of any of the Obligations or may continue any of the Obligations. The Pledgee also may renew, extend, amend, modify, accelerate, compromise, waive, surrender, or release the Obligations, or the liability of the Company or any other party upon or for any part thereof, or any collateral security or guaranty therefor or right of offset with respect thereto, may, from time to time, in whole or in part. The Note may be amended, modified, supplemented or terminated, in whole or in part, as the Pledgee may deem advisable from time to time, and any collateral security at any time held by the Pledgee for the payment of the Obligations may be sold, exchanged, waived, surrendered or released, all without the necessity of any reservation of rights against Pledgor and without notice to or

further assent by Pledgor, who will remain bound hereunder. The Pledgee shall have no obligation to protect, secure, perfect or insure any other collateral security, document or property subject thereto at any time held as security for the Obligations. Pledgor waives any and all notice of the creation, renewal, extension or accrual of any of the Obligations and notice of or proof of reliance by the Pledgee upon this Pledge Agreement and the Obligations, and any of them, shall conclusively be deemed to have been created, contracted or incurred in reliance upon this Pledge Agreement, and all dealings between the Company, Pledgor and the Pledgee shall likewise be conclusively presumed to have been had or consummated in reliance upon this Pledge Agreement. Pledgor waives diligence, presentment, protest, demand for payment and notice of default or nonpayment to or upon the Company or himself with respect to the Obligations.

7. Rights of the Pledgee. The Pledgee shall not be liable for failure to collect or realize upon the Obligations or any collateral security or guaranty therefor, or any part thereof, or for any delay in so doing nor shall it be under any obligation to take any action whatsoever with regard thereto. Any or all shares of the Pledged Stock held by the Pledgee hereunder may, if a default has occurred, without notice, be registered in the name of the Pledgee or its nominee, and the Pledgee or its nominee may thereafter without notice, exercise all voting and corporate rights and any and all rights of conversion, exchange, subscription or any other rights, privileges or options pertaining to any shares of the Pledged Stock as if it were the absolute owner thereof, including, without limitation, the right to exchange at its discretion any and all of the Pledged Stock upon the merger, consolidation, reorganization, recapitalization or other readjustment of Pledgee or upon the exercise by Pledgee of any right, privilege or option pertaining to any shares of the Pledged Stock. In connection therewith, Pledgee may deposit and deliver any and all of the Pledged Stock with any committee, depository, transfer agent, registrar or other designated agent upon such terms and conditions as it may determine, all without liability except to account for property actually received by it, but the Pledgee shall have no duty to exercise any of the aforesaid rights, privileges or options and shall not be responsible for any failure to do so or delay in so doing.

8. Remedies in Case of Event of Default. In case an event of default shall have occurred under the Pledge Agreement, the Note, or the Security Agreement, which default is not cured within any applicable grace period, the Pledgee shall be entitled to exercise all of the rights, powers and remedies (whether vested in it by any such agreement or by law) for the protection and enforcement of its rights in respect of the Collateral, and the Pledgee shall be entitled, without limitation, to exercise

the following rights which Pledgor hereby agrees to be commercially reasonable:

- (a) Without demand of performance or other demand, advertisement or notice of any kind (except the notice specified below of time and place of public or private sale) to or upon the Company, Pledgor or any other person (all and each of which demands, advertisements and/or notices are hereby expressly waived), may forthwith collect, receive, appropriate and realize upon the Collateral, or any part thereof, and/or may sell, assign, give an option or options to purchase, contract to sell or otherwise dispose of and deliver said Collateral, or any part thereof, in one or more portions at public or private sale or sales, at any exchange, or broker's board or elsewhere upon such terms and conditions as it may deem advisable and at such prices as it may deem best, for cash or on credit or for future delivery without assumption of any credit risk.
- (b) The Pledgee shall apply the net proceeds of any such collection, recovery, receipt, appropriation, realization or sale, after deducting all reasonable costs and expenses of every kind incurred therein or incidental to the care, safekeeping or otherwise of any and all of the Collateral or in any way relating to its rights hereunder, including reasonable attorneys' fees and legal expenses, to the payment in whole or in part, of the Obligations in such order as the Pledgee may elect, Pledgor remaining liable for any deficiency remaining unpaid after such application, and only after so applying such net proceeds and after the payment by the Pledgee of any other amount required by any provision of law, including, without limitation, the Massachusetts Uniform Commercial Code (the "UCC"), need the Pledgee account for the surplus, if any. Pledgor agrees that the Pledgee need not give more than ten (10) days' notice of the time and place of any public sale or of the time after which a private sale or other intended disposition is to take place and that such notice is reasonable notification of such matters. No notification need be given to Pledgor if he has signed after default a statement renouncing or modifying any right to notification of sale or other intended disposition.

- (c) The Pledgee shall also have all the rights and remedies of a secured party under the UCC. Pledgor further agrees to waive and agrees not to assert any rights or privileges which he may acquire under Section 9-112 of the UCC and Pledgor shall be liable for the deficiency if the proceeds of any sale or other disposition of the Collateral are insufficient to pay all amounts to which the Pledgee is entitled, and the fees of any attorneys employed by the Pledgee to collect such deficiency.

The Pledgor hereby waives and releases to the fullest extent permitted by law any right or equity of redemption with respect to the Collateral, whether before or after sale hereunder, and all rights, if any, or marshalling the Collateral and any other security for the Note or otherwise. At any such sale, unless prohibited by applicable law, the Pledgee may bid for and purchase all or any part of the Collateral so sold free from any such right or equity of redemption. The Pledgee shall not be liable for failure to collect or realize upon any or all of the Collateral or for any delay in so doing nor shall it be under any obligation to take any action whatsoever with regard thereto.

9. Cumulative Remedies. Each right, power and remedy of the Pledgee provided for in this Pledge Agreement and the Note or now or hereafter existing at law or in equity or by statute shall be cumulative and concurrent and shall be in addition to every other such right, power or remedy. The exercise or beginning of the exercise by the Pledgee of any one or more of the rights, powers or remedies provided for in this Pledge Agreement or the Note or now or hereafter existing at law or in equity or by statute or otherwise shall not preclude the simultaneous or later exercise by the Pledgee of all such other rights, powers or remedies, and no failure or delay on the part of the Pledgee to exercise any such right, power or remedy shall operate as a waiver thereof.

10. Application of Proceeds. All moneys collected by the Pledgee upon any sale or other disposition of the Collateral, together with all other moneys received by the Pledgee hereunder, shall be applied to the payment of all costs and expenses incurred by the Pledgee in connection with such sale, the delivery of the Collateral or the collection of any such moneys (including, without limitation, attorneys' fees and expenses), and the balance of such moneys shall be held by the Pledgee and applied to it to satisfy the Obligations.

11. Purchasers of Collateral. Upon any sale of the Collateral by the Pledgee hereunder (whether by virtue of the

power of sale herein granted, pursuant to judicial process or otherwise), the receipt of the Pledgee or the officer making the sale shall be a sufficient discharge to the purchaser or purchasers of the Collateral so sold, and such purchaser or purchasers shall not be obligated to see to the application of any part of the purchase money paid over to the Pledgee or such officer or be answerable in any way for the misapplication or nonapplication thereof.

12. Indemnity. Pledgor agrees to indemnify and hold harmless the Pledgee from and against any and all claims, demands, losses, judgments and liabilities (including liabilities for penalties) of whatsoever kind or nature, and to reimburse the Pledgee for all costs and expenses, including attorneys' fees, arising out of or resulting from this Pledge Agreement. In no event shall the Pledgee be liable for any matter in connection with this Pledge Agreement, other than the safe custody of any stock certificate or certificates from time to time representing the Pledged Stock or related stock powers, and other than to account for moneys actually received by it in accordance with the terms hereof.

13. No Disposition, etc. Without the prior written consent of the Pledgee, Pledgor agrees that he will not sell, assign, transfer, exchange, or otherwise dispose of the Collateral or any portion thereof. Pledgor will not grant any option with respect to the Collateral, nor will he create, incur or permit to exist any lien, encumbrance, charge, restriction, security interest or mortgage with respect to any of the Collateral, or any interest therein, or any proceeds thereof, except for the lien and security interest provided for by this Pledge Agreement.

14. Further Assurances. Pledgor agrees that at any time and from time to time upon the written request of the Pledgee he will execute and deliver such further documents and do such further acts and things as the Pledgee may reasonably request in order to effect the purposes of this Pledge Agreement.

15. Severability. Any provision of this Pledge Agreement which is prohibited or unenforceable shall be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof.

16. Waivers, Amendments; Applicable Law. None of the terms or provisions of this Pledge Agreement may be waived, altered, modified or amended except by an instrument in writing, duly executed the Pledgee. This Pledge Agreement and all obligations of the Pledgor hereunder shall be binding upon the successors and assigns of the Pledgor, and shall inure to the benefit of the Pledgee and its successors and assigns; provided, however, that neither party may assign this Pledge Agreement without the prior

written consent of the other, which consent shall not be unreasonably withheld. This Pledge Agreement shall be governed by, and be construed and interpreted in accordance with, the laws of the State of Massachusetts.

17. Termination. Upon the payment in full of the Obligations referred to in paragraph 1 hereof and secured hereby, this Pledge Agreement shall terminate and Pledgee shall execute and deliver to Pledgor such releases and termination statements as may be necessary to remove the lien hereof from the Pledged Stock, and shall promptly return the Pledged Stock, the stock powers and all other related documents in its possession to Pledgor.

IN WITNESS WHEREOF, Pledgor has caused this Pledge Agreement to be duly executed on the day and year first above written.

"PLEDGOR"

John J. Riley

"PLEDGEE"

BEATRICE FOODS CO.

By: _____

Title: _____

EXHIBIT A
DESCRIPTION OF PLEDGED STOCK

_____ shares of Common Stock of Beatrice Foods Co.,
a Delaware corporation, no-par value; which are issued and
outstanding, such outstanding shares being represented by Stock
Certificates as follows:

<u>No.</u>	<u>Certificate Date</u>	<u>No. of Shares</u>
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AMERICAN LAND TITLE ASSOCIATION
OWNER'S POLICY FORM B-1970
(Amended 10-17-70)

CHICAGO TITLE INSURANCE COMPANY

SUBJECT TO THE EXCLUSIONS FROM COVERAGE, THE EXCEPTIONS CONTAINED IN SCHEDULE B AND THE PROVISIONS OF THE CONDITIONS AND STIPULATIONS HEREOF, CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation, herein called the Company, insures, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, and costs, attorneys' fees and expenses which the Company may become obligated to pay hereunder, sustained or incurred by the insured by reason of:

1. Title to the estate or interest described in Schedule A being vested otherwise than as stated therein;
2. Any defect in or lien or encumbrance on such title;
3. Lack of a right of access to and from the land; or
4. Unmarketability of such title.

In Witness Whereof, CHICAGO TITLE INSURANCE COMPANY has caused this policy to be signed and sealed as of the date of policy shown in Schedule A, the policy to become valid when countersigned by an authorized signatory.

CHICAGO TITLE INSURANCE COMPANY

By:

Alvin W. Long
President.

Issued by:
CHICAGO TITLE INSURANCE COMPANY
133 Federal Street
Boston, Massachusetts 02110
(617) 482-0530



ATTEST:

Chester C. McCallough

Secretary.

IMPORTANT

This policy necessarily relates solely to the title as of the date of the policy. In order that a purchaser of the real estate described herein may be insured against defects, liens or encumbrances, this policy should be reissued in the name of such purchaser.

EXCLUSIONS FROM COVERAGE

The following matters are expressly excluded from the coverage of this policy:

1. Any law, ordinance or governmental regulation (including but not limited to building and zoning ordinances) restricting or regulating or prohibiting the occupancy, use or enjoyment of the land, or regulating the character, dimensions or location of any improvement now or hereafter erected on the land, or prohibiting a separation in ownership or a reduction in the dimensions or area of the land, or the effect of any violation of any such law, ordinance or governmental regulation.
2. Rights of eminent domain or governmental rights of police power unless notice of the exercise of such rights appears in the public records at Date of Policy.
3. Defects, liens, encumbrances, adverse claims, or other matters (a) created, suffered, assumed or agreed to by the insured claimant; (b) not known to the Company and not shown by the public records but known to the insured claimant either at Date of Policy or at the date such claimant acquired an estate or interest insured by this policy and not disclosed in writing by the insured claimant to the Company prior to the date such insured claimant became an insured hereunder; (c) resulting in no loss or damage to the insured claimant; (d) attaching or created subsequent to Date of Policy; or (e) resulting in loss or damage which would not have been sustained if the insured claimant had paid value for the estate or interest insured by this policy.

CONDITIONS AND STIPULATIONS

1. Definition of Terms

The following terms when used in this policy mean:

(a) "insured": the insured named in Schedule A, and, subject to any rights or defenses the Company may have had against the named insured, those who succeeded to the interest of such insured by operation of law as distinguished from purchase including, but not limited to, heirs, distributees, devisees, survivors, personal representatives, next of kin, or corporate or fiduciary successors.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(d) "land": the land described, specifically or by reference in Schedule A, and improvements affixed thereto which by law constitute real property; provided, however, the term "land" does not include any property beyond the lines of the area specifically described or referred to in Schedule A, nor any right, title, interest, estate or easement in abutting streets, roads, avenues, alleys, lanes, ways or waterways, but nothing herein shall modify or limit the extent to which a right of access to and from the land is insured by this policy.

(e) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

(f) "public records": those records which by law impart constructive notice of matters relating to said land.

2. Continuation of Insurance after Conveyance of Title

The coverage of this policy shall continue in force as of Date of Policy in favor of an insured so long as such insured retains an estate or interest in the land, or holds an indebtedness secured by a purchase money mortgage given by a purchaser from such insured, or so long as such insured shall have liability by reason of covenants of warranty made by such insured in any transfer or conveyance of such estate or interest; provided, however, this policy shall not continue in force in favor of any purchaser from such insured of either said estate or interest or the indebtedness secured by a purchase money mortgage given to such insured.

3. Defense and Prosecution of Actions—Notice of Claim to be given by an Insured Claimant

(a) The Company, at its own cost and without undue delay, shall provide for the defense of an insured in all litigation consisting of actions or proceedings commenced against such insured, or a defense interposed against an insured in an action to enforce a contract for a sale of the estate or interest in said land, to the extent that such litigation is founded upon an alleged defect, lien, encumbrance, or other matter insured against by this policy.

(b) The insured shall notify the Company promptly in writing (i) in case any action or proceeding is begun or defense is interposed as set forth in (a) above, (ii) in case knowledge shall come to an insured hereunder of any claim of title or interest which is adverse to the title to the estate or interest, as insured, and which might cause loss or damage for which the Company may be liable by virtue of this policy, or (iii) if title to the estate or interest, as insured, is rejected as unmarketable. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which such prompt notice is required; provided, however, that failure to notify shall in no case prejudice the rights of any such insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

(c) The Company shall have the right at its own cost to institute and without undue delay prosecute any action or proceeding or to do any other act which in its opinion may be necessary or desirable to establish the title to the estate or interest as insured, and the Company may take any appropriate action under the terms of this policy, whether or not it shall be liable thereunder, and shall not thereby concede liability or waive any provision of this policy.

(d) Whenever the Company shall have brought any action or interposed a defense as required or permitted by the provisions of this

policy, the Company may pursue any such litigation to final determination by a court of competent jurisdiction and expressly reserves the right, in its sole discretion, to appeal from any adverse judgment or order.

(e) In all cases where this policy permits or requires the Company to prosecute or provide for the defense of any action or proceeding, the insured hereunder shall secure to the Company the right to so prosecute or provide defense in such action or proceeding, and all appeals therein, and permit the Company to use, at its option, the name of such insured for such purpose. Whenever requested by the Company, such insured shall give the Company all reasonable aid in any such action or proceeding, in effecting settlement, securing evidence, obtaining witnesses, or prosecuting or defending such action or proceeding, and the Company shall reimburse such insured for any expense so incurred.

4. Notice of Loss—Limitation of Action

In addition to the notices required under paragraph 3(b) of these Conditions and Stipulations, a statement in writing of any loss or damage for which it is claimed the Company is liable under this policy shall be furnished to the Company within 90 days after such loss or damage shall have been determined and no right of action shall accrue to an insured claimant until 30 days after such statement shall have been furnished. Failure to furnish such statement of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

5. Options to Pay or Otherwise Settle Claims

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against or to terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of insurance under this policy together with any costs, attorneys' fees and expenses incurred up to the time of such payment or tender of payment, by the insured claimant and authorized by the Company.

6. Determination and Payment of Loss

(a) The liability of the Company under this policy shall in no case exceed the least of:

- (i) the actual loss of the insured claimant; or
- (ii) the amount of insurance stated in Schedule A.

(b) The Company will pay, in addition to any loss insured against by this policy, all costs imposed upon an insured in litigation carried on by the Company for such insured, and all costs, attorneys' fees and expenses in litigation carried on by such insured with the written authorization of the Company.

(c) When liability has been definitely fixed in accordance with the conditions of this policy, the loss or damage shall be payable within 30 days thereafter.

7. Limitation of Liability

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged defect, lien or encumbrance insured against hereunder, by litigation or otherwise, removes such defect, lien or encumbrance or establishes the title, as insured, within a reasonable time after receipt of such notice; (b) in the event of litigation until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the title, as insured, as provided in paragraph 3 hereof; or (c) for liability voluntarily assumed by an insured in settling any claim or suit without prior written consent of the Company.

8. Reduction of Liability

All payments under this policy, except payments made for costs, attorneys' fees and expenses, shall reduce the amount of the insurance pro tanto. No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

9. Liability Noncumulative

It is expressly understood that the amount of insurance under this policy shall be reduced by any amount the Company may pay under

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CONDITIONS AND STIPULATIONS (Continued)

any policy insuring either (a) a mortgage shown or referred to in Schedule B hereof which is a lien on the estate or interest covered by this policy, or (b) a mortgage hereafter executed by an insured which is a charge or lien on the estate or interest described or referred to in Schedule A, and the amount so paid shall be deemed a payment under this policy. The Company shall have the option to apply to the payment of any such mortgages any amount that otherwise would be payable hereunder to the insured owner of the estate or interest covered by this policy and the amount so paid shall be deemed a payment under this policy to said insured owner.

10. Apportionment

If the land described in Schedule A consists of two or more parcels which are not used as a single site, and a loss is established affecting one or more of said parcels but not all, the loss shall be computed and settled on a pro rata basis as if the amount of insurance under this policy was divided pro rata as to the value on Date of Policy of each separate parcel to the whole, exclusive of any improvements made subsequent to Date of Policy, unless a liability or value has otherwise been agreed upon as to each such parcel by the Company and the insured at the time of the issuance of this policy and shown by an express statement herein or by an endorsement attached hereto.

11. Subrogation Upon Payment or Settlement

Whenever the Company shall have settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and if requested by the Company, such insured claimant shall transfer to the Company all rights

and remedies against any person or property necessary in order to perfect such right of subrogation and shall permit the Company to use the name of such insured claimant in any transaction or litigation involving such rights or remedies. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

12. Liability Limited to this Policy

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, and which arises out of the status of the title to the estate or interest covered hereby or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

13. Notices, Where Sent

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to its principal office at 111 West Washington Street, Chicago, Illinois 60602, or at any branch office of the Company.

*American Land Title Association
Owner's Policy Form B-1970
(Amended 10-17-70)*

POLICY
OF
TITLE
INSURANCE



CHICAGO TITLE INSURANCE COMPANY
133 Federal Street
Boston, Massachusetts 02110

CHICAGO
TITLE INSURANCE
COMPANY
111 WEST WASHINGTON STREET
CHICAGO, ILLINOIS 60602

SCHEDULE A

Number	Date of Policy	Amount of Insurance
7851-01329	December 28, 1978	\$1,000,000.00

1. Name of Insured: BEATRICE FOODS CO.

2. The estate or interest in the land described herein and which is covered by this policy is: Fee simple.
A description of said land is set forth on the description sheet annexed.

3. The estate or interest referred to herein is at Date of Policy vested in the insured, grantee of a deed from John J. Riley Company dated December 28, 1978 and filed with Middlesex South Registry District of the Land Court on December 28, 1978 as Document No. 579594 causing the issuance of Certificate of Title No. 157009 and of a deed from John J. Riley Company recorded with the Middlesex South District Registry of Deeds on December 28, 1978 as Instrument No. 250.

4. The land herein described is encumbered by the following mortgage or trust deed, and assignments:
None.

SCHEDULE B

This policy does not insure against loss or damage by reason of the following:

The following matters affect those premises described in Certificate of Title No. 81646:

1. Deed restrictions noted in deed of John Hinston et al, Trustees to Frank H. Linscott dated September 19, 1925 recorded with said Deeds in Book 4897, Page 48 and other deed to Linscott dated January 25, 1926 recorded with said Deeds in Book 4939, Page 288.

The following matters affects those premises described on Certificate of Title No. 72809:

1. Flowage rights from the Aberjona River as may legally exist as shown on "Plan of Land belonging to John J. Riley Company in Woburn, Massachusetts, October 27, 1977, prepared by Hayes Engineering, Inc., Melrose, Mass."
2. Taking by the Commonwealth of Massachusetts (M.D.C.) filed as Document No. 345408.
3. Legal access to the premises remaining after conveyance of Lots 1 and 2 described in Document Nos. 335628, 338942 and Lot B1 as shown on Plan No. 3507C is not insured.

The following matters affect those premises described in Certificate of Title No. 73122:

1. So much of the premises marked Sewer Easement City of Woburn on plan drawn by H. Kingma Abbott, Surveyor, dated August 1950, as modified and approved by the Land Court is subject to a sewer easement as forth in a grant made by John J. Riley Company to the City of Woburn dated April 10, 1931 recorded in Book 5570, Page 140.

Countersigned

Frank J. Morris
Authorized Signatory

NOTE: ATTACHED HERETO 8 ADDED PAGES.

(Schedule B continued)

Policy Number 7851-01329
Owners

Policy Number _____
Leas

2. Flow of an ancient water course running through the premises as shown on said Plan.

3. Lot 3, is subject to and has the benefit of, the provisions contained in two indentures, one between the Boston and Maine Railroad and John J. Riley Company, dated December 3, 1974 and the other between said Boston and Maine Railroad and the Woburn Packing Company, dated November 29, 1945, recorded in Book 6917, Page 497.

4. Taking of permanent sewer easement and temporary construction easement by City of Woburn dated February 3, 1971 filed as Document No. 473973.

The following matters described in Certificate of Title No. 125186 are affected by the following:

1. So much of Lot 1 as lies within the area marked "20.00 wide M.D.C. Sewer Easement", approximately shown on said plan, is subject to the easement set forth in a Taking by the Commonwealth of Massachusetts, Metropolitan District Commission, dated July 22, 1959 recorded in Book 9434, Page 149.

2. Lot 1 is subject to the flow of a natural water course running through the same, shown on said plan as Aberjona River.

The following matters described in Certificate of Title No. 92017 are affected by the following:

1. Restrictions as set forth in a deed given by John W. Connolly et al, Trustees to August D. Swenbeck, dated April 29, 1937, recorded in Book 6115, Page 290.

2. So much of the premises as is included with the limits of Sunset Avenue is subject to the rights of all persons lawfully entitled thereto in and over the same.

So much of the premises conveyed to John J. Riley Company Inc., by Boston and Maine Railroad recorded in Book 10186, Page 393 are affected by the following:

1. Restrictions, exceptions, reservations, agreements and easements contained in deed to John J. Riley Company immediately above.

2. Right of way granted to Russo, et ux, by instrument dated December 23, 1966 recorded in Book 11273, Page 584.

3. Taking by Town of Woburn dated August 26, 1970 recorded in Book 11880, Page 384.

The following matters affect all of the premises located east of Boston and Maine Railroad and north of Salem Street, as shown on the Plan entitled "Plan of Land belonging to John J. Riley Company, in Woburn, Massachusetts, October 27, 1977" prepared by Hayes Engineering, Inc., Melrose, Mass.

(Schedule B continued)

Policy Number 7851-01329
Owners

Policy Number _____
Lease

1. Legal access to the premises is not insured.

The following matters affect either all or portions of the premises described on the description sheet.

1. All unrecorded rights, title and interest which are valid and enforceable as against John J. Riley Company but which would not be valid or enforceable as against the insured if the insured had purchased the estate of interest insured by this policy from John J. Riley Company and had recorded a conveyance from John J. Riley Company to the insured prior to the dated of the policy except those matters disclosed to the Company by provisions of Merger agreement and acknowledged by Company's letter dated September 11, 1978.

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 not BFP?

2. Unrecorded pipe agreement with Boston and Maine Railroad dated April 4, 1958.

3. Right of the following leases:

- a. Amdur Leather Company;
- b. Braude Leather Company; and
- c. Mrs. William Flaherty.

4. Rights of others in Wildwood Street, if any.

5. Corporate Excise Tax Lien by Commissioner of Corporation and Taxation pursuant to provisions of Chapter 62C Section 52 of M.G.L.A. re: John J. Riley Company, if any. This policy insures however that all corporate excise tax returns for the period through December 31, 1977 have been properly filed with no notice of audit yet and further insures that quarterly estimated tax payments have been filed during the 1978 calendar year.

NOTE: Hinston Road located east of Wildwood Street is not currently used as a road; Hinston Road, Sunset Avenue and Wildwood Road have not been officially accepted by the City of Woburn.

6. "Plan of Land belonging to John J. Riley Company in Woburn, Mass." Scale 1"=80', dated October 27, 1977, prepared by Hayes Engineering, Inc., Melrose, Mass. and surveyor's report disclose the following:

- a) 20' wide M.D.C. sewer easement, 40' wide M.D.C. temporary construction easement and right of way (L.C. Plan #3507A2) located within premises on easterly side of Boston and Maine Railroad and extending beyond southerly boundary of same;
- b) private way runs between buildings and along Woburn at 128 on westerly side of Boston and Maine Railroad;
- c) westerly main building encroaches on private way;
- d) parcels easterly of Boston and Maine Railroad do not appear to have legal access;
- e) sewer easement (City of Woburn) crosses northeasterly portion of Lot 2;

(Schedule B continued)

Policy Number 7851-01329
OwnersPolicy Number _____
Lease

f) -Wildwood Street crosses westerly portion of premises located westerly of Boston and Maine Railroad;

g) Aberjona River forms easterly boundary of premises located on easterly side of Boston and Maine Railroad.

7. Mortgage to Nancy J. Walsh dated December 28, 1977 filed as Document No. 56508 noted on Certificates of Title No. 93978, 81646, 72809, 73122, 125186 and 92017.

8. Real Estate taxes for the fiscal year ending June 30, 1979, not yet and payable plus water and sewer charges not yet billed.

Certain parcels of land situated in Woburn, Middlesex County, MA,
described as follows:

The land referred to in this Commitment is described as follows:

The following premises described in Certificate of Title No. 93978

Of that certain parcel of land situate in Woburn in the County
of Middlesex and Commonwealth of Massachusetts, bounded and
described as follows:

Southwesterly by the northeasterly line of Hinston Road
one hundred seventy-five and $82/100$ (175.82) feet;
Northwesterly by land now or formerly of Ralph W. Stokes
two hundred twenty-one and $55/100$ (221.55) feet;
Northeasterly by land now or formerly of Paul H. Anderson
et al one hundred seventy-six and $10/100$ (176.10)
feet; and
Southeasterly by land now or formerly of Alice K. Riley
two hundred fifty-five (255) feet.

All of said boundaries are determined by the Court to be located as
shown on a plan drawn by H. Kingman Abbott, Surveyor, dated April 1957,
as modified and approved by the Court, filed in the Land Registration Office
a copy of a portion of which will be filed with the original certificate
title issued on this decree, and shown thereon as lots 1 and 2.

The following premises described in Certificate of Title No. 81646

That certain parcel of land with the buildings thereon, situate in
Woburn in the County of Middlesex and said Commonwealth, bounded
and described as follows:

Southerly, two hundred twenty-six and $73/100$ feet, and
Southwesterly, one hundred sixty-seven feet, by the northerly
and northeasterly lines of Hinston Road;
Northwesterly by land now or formerly of the City of Woburn,
two hundred fifty-five feet; and
Northeasterly by the southwesterly line of a way as shown on
plan hereinafter mentioned, two hundred ninety-four and
 $60/100$ feet.

All of said boundaries are determined by the Court to be located as shown
on a plan, as modified and approved by the Court, filed in the Land Registration
Office, a copy of a portion of which is filed in the Registry of Deeds
for the South Registry District of Middlesex County in Registration Book 50
Page 497, with Certificate 77483.

The following premises described in Certificate of Title No. 72809

Of that certain parcel of land situate in Woburn in the County of Middlesex and said Commonwealth, bounded and described as follows:

A certain parcel of land shown as lot B on Land Court Plan 3507A2 filed with Certificate of Title No. 72809, and more particularly bounded and described as follows:

SOUTHEASTERLY by Salem Street, 246.61 feet;
SOUTHWESTERLY 551.36 feet, and
SOUTHEASTERLY 273.75 feet, by land now or formerly of Hugh A. Quinn et al;
WESTERLY by land now or formerly of the Boston & Maine Railroad, 673.60 feet;
NORTHERLY by land now or formerly of Elizabeth Birton et al, and of Walker-Johnson Truck Company, measuring on the upland, about 345.30 feet;
NORTHEASTERLY by Abejona River and
SOUTHEASTERLY by land now or formerly of Daniel J. Quinn, measuring on the upland, about 468.55 feet.

There is excepted and excluded from said lot B all of (i) lot B1 as shown on Land Court Plan 3507B, filed in Middlesex South District Registry of Deeds in Land Registration Book 389, Page 197; and (ii) lots 1 and 2 as shown on Land Court Plan 3507C filed with said Deeds in Registration Book 612, Page 138, all as more particularly set forth in said Certificate of Title No. 72809.

This policy insures the fee ownership in Beatrice Foods Co. of the above described parcel but does not insure that Beatrice Foods Co. may transfer title to it until a plan acceptable to the Land Court is filed or the *

The following premises described in Certificate of Title No. 73122

that certain parcel of land situate in Woburn in the County of Middlesex and Commonwealth, bounded and described as follows:

Southeasterly by Salem Street six hundred forty and 53/100 (640.53) feet;
Southwesterly seventy-three and 70/100 (73.70) feet, and
Northwesterly twenty-one and 50/100 (21.50) feet by land now or formerly of Julia F. Watts et al;
Southwesterly by lands of sundry adjoining owners as shown on the plan hereinafter mentioned eleven hundred eighty-three and 39/100 (1183.39) feet;
Northwesterly by the southeasterly line of Sunset Avenue ninety-eight and 30/100 (98.30) feet;
Northeasterly one hundred thirty-two and 56/100 (132.56) feet, and
Northwesterly two hundred sixty and 05/100 (260.05) feet by the southwesterly and southeasterly lines of Hinston Road;
Northeasterly by the southwesterly line of a way as shown on said

*current deed is acceptable to the Land Court upon the Chief Land Court Examiners' review

SCHEDULE C CONTINUED

plan four hundred twelve and 07/100 (412.07) feet;
Northerly by a line crossing said way thirty and 30/100 (30.30) feet
Northwesterly by land now or formerly of John W. Buckley et al
two hundred sixty and 69/100 (260.69) feet;
Northerly by land now or formerly of the Woburn Packing Co., seventy-
and 42/100 (75.42) feet; and
Northeasterly by land now or formerly of the Boston and Maine Railroad
(Montreal Div.) eight hundred nineteen and 04/100 (819.04) feet.

All of said boundaries are determined by the Court to be located as shown
a plan drawn by H. Kingman Abbott, Surveyor, dated August 1950, as modified and
approved by the Court, filed in the Land Registration Office, a copy of a portion
of which will be filed with the original certificate of title issued on this
and shown thereon as lots 1, 2 and 3.

There is appurtenant to said lot 1 the right to use the whole of said Sun
Avenue and Hinston Road, as shown on said plan, in common with all other persons
lawfully entitled thereto.

The following premises described in Certificate of Title No. 125186

Of that certain parcel of land situate in Woburn in the County of Middlesex
and Commonwealth of Massachusetts, bounded and described as follows:

FIRST PARCEL:

Westerly by land now or formerly of City of Woburn, five
hundred seventy-five and 39/100 (575.39) feet;
Northerly one hundred five and 45/100 (105.45) feet, and
Westerly four hundred two and 83/100 (402.83) feet, by
land now or formerly of Gerard Realty Co., Inc.;
Northerly by land now or formerly of Massachusetts Rifle
Association, about four hundred fifty (450) feet;
Southeasterly by Aberjona River; and
Southerly by land now or formerly of Mable F. Quinn,
about two hundred seventy (270) feet.

Being shown as lot 1 on the plan hereinafter mentioned
SECOND PARCEL:

Northeasterly by land now or formerly of City of Woburn,
ninety-five and 60/100 (95.60) feet;
Southerly by land now or formerly of Mable F. Quinn,
thirty-seven and 06/100 (37.06) feet; and
Westerly by land now or formerly of Boston and Maine
Corporation, ninety-four and 83/100 (94.83) feet.

Being shown as lot 2 on said plan hereinafter mentioned.

The following premises described in Certificate of Title No. 92017

Being the same premises as shown on "Plan of Land belonging to John J. Riley Company in Woburn, Mass., Scale 1" = 20', dated October 27, 1977, prepared by Hayes Engineering, Inc., Melrose, Mass."

EXHIBIT K
LITIGATION

1. Anne Anderson et als. v. Cryovac, Inc. et als., U.S. District Court, No. 82-1672-S:

On or about May 14, 1982, 26 members of six families residing in Woburn, Massachusetts filed an action against Beatrice Foods Co. ("Beatrice") and Beatrice's John J. Riley Co. Division ("Riley") seeking any unspecified amount of damages as well as permanent injunctive relief under the common law of Massachusetts. In this lawsuit, the plaintiffs allege that, as a result of Beatrice's negligence, drinking water wells were contaminated. Plaintiffs seek to recover from Beatrice under Massachusetts common law theories of negligence and nuisance. Four of the plaintiffs are deceased and the representatives of their estates seek to recover for wrongful death and conscious pain and suffering.

Suit was initially filed in the Middlesex County Superior Court for Massachusetts. It was removed to the federal district court for the district of Massachusetts. Beatrice has answered by generally denying allegations of the complaint and asserting numerous affirmative defenses. Beatrice's co-defendants have filed a motion to dismiss based on Fed. R. Civ. P. 11.

This lawsuit is still in the initial stage of discovery.

2. Braude Brothers Tanning Corp. v. Beatrice Foods Co., et al., U.S. District Court, No. 81-1846-N (D. Mass. 1981):

On or about July 21, 1981, a contract tanner and customer of the John J. Riley Company filed an action against Beatrice, Pfister and Vogel Tanning Company, Riley and four Beatrice employees, seeking an unspecified amount of damages (trebled or doubled, if appropriate) as well as preliminary and permanent injunctive relief under the Federal antitrust laws, various Massachusetts. In this lawsuit, the plaintiff alleges that Beatrice's acquisition of Riley and its decision to phase out processing leather for the plaintiff constitutes an unlawful contract, combination or conspiracy in restraint of trade under Section 1 of the Sherman Act, 15 U.S.C. §1; an unlawful abuse of monopoly power under Section 2 of the Sherman Act, 15 U.S.C. §2; and an unlawful acquisition or merger having the effect of substantially lessening competition in the relevant markets under Section 7 of the Clayton Act, 15 U.S.C. §18. The plaintiff also alleges that the defendants are liable for misappropriation of trade secrets under Mass. Gen. L. ch. 93 §42, unfair and deceptive acts and practices under Mass. Gen. L. ch. 93A §§2 and 11, and breach of contract, tortious interference with contractual relations, tortious interference with advantageous relations and deceit under Massachusetts common law.

The defendants have answered by generally denying the allegations of the complaint and have asserted numerous affirmative defenses.

This lawsuit is still in the initial stage of discovery.

3. Seller has been advised in writing of a claim for alleged breach of contract (refusal to serve as a contract tanner) by counsel for Amdur Leather Co. dated as of December 23, 1981, although no further action has been taken with respect to such claim by Amdur. Moran Leather Co., another supplier, potentially has a similar claim although Seller has received no oral or written notice from Moran of its intention to make such a claim.

4. See attached.

WORKMEN'S COMPENSATION AND OTHER
ACCIDENT CLAIMS PENDING AS OF
NOVEMBER 30, 1982

<u>Name of Claimant</u>	<u>Date of Accident</u>
Anderson, Anne	5-1-79
, Christine	5-1-79
, Charles	5-1-79
, James	5-1-79
Gamache, Ronald L.	5-1-79
, Amy	5-1-79
, Todd L.	5-1-79
, Kathryn	5-1-79
Kane, Kevin	5-1-79
, Margaret	5-1-79
, Kathleen	5-1-79
, Timothy	5-1-79
, Kevin, Jr.	5-1-79
, Patricia	5-1-79
Robbins, Donna L.	5-1-79
, Kevin	5-1-79
, Carl W., III	5-1-79
Toomey, Richard J.	5-1-79
, Mary Eileen	5-1-79
, Sheila	5-1-79
, Patrick	5-1-79
, Mary J.	5-1-79
Zona, Pat	5-1-79
, Ronald	5-1-79
, Ann	5-1-79
, John	5-1-79
, Michael	5-1-79
, Joan M.	5-1-79
Horne, Wilbert	10-12-79
McFarland, Richard	6-9-81
Acebido, Fred R.	4-21-81
Cipollo, John J.	5-4-81
Flaherty, Michael P.	6-15-81
Flaherty, Peter J.	8-4-81
Foley, Thomas X	5-26-82
Garvey, Sr., Kenneth	7-9-82
Moore, James B.	8-24-82
Corby, Joseph G.	6-29-82
Castillo, Alfonso	8-31-82
Killilea, Kenneth W.	8-5-82
Etheridge, John W.	8-23-82

DRAFT

NUTTER, MCCLENNEN & FISH
FEDERAL RESERVE PLAZA
600 ATLANTIC AVENUE
BOSTON, MASSACHUSETTS 02210

BOSTON OFFICE

AREA CODE 617 873-8700
TELEX 84-0780
CABLE ADDRESS "DUNTER"
TELECOPIER 617 873-8748

January 6, 1983
2346-54

WASHINGTON, D. C. OFFICE

FEDERAL BAR BUILDING WEST
1818 H STREET, N. W.
WASHINGTON, D. C. 20006
(202) 296-3500

Beatrice Foods Co.
Two North LaSalle Street
Chicago, IL 60603

Gentlemen:

This opinion is furnished to you pursuant to Section 4.03(ii) of the Asset Purchase Agreement effective as of January 1, 1983, ("Agreement") by and among John J. Riley and Diana W. Riley ("Rileys"), John J. Riley Company, Inc. ("Company"), Wildwood Conservation Corporation ("Wildwood") and Beatrice Foods Co. ("Seller"). Unless the context otherwise requires, terms herein are used as defined in the Agreement.

We have acted as counsel to the Rileys, Wildwood, and the Company in connection with the Agreement and the transactions contemplated thereby.

In connection with this opinion, we have:

- a) examined (i) a copy of the Articles of Organization of the Company and of Wildwood as filed with the Secretary of the Commonwealth of Massachusetts, (ii) the By-Laws of the Company and of Wildwood as certified to us by their respective Clerks as being in effect as of the date of this opinion and (iii) the corporate minutes of the Company and of Wildwood;
- b) acquired certain certificates and other written advices of the Secretary of the Commonwealth;
- c) searched such indexes and places of records as we have deemed appropriate for the purposes of this opinion;

Beatrice Foods Co.
January 6, 1983
Page Two.

d) made such inquiry of the officers and directors of the Company and of Wildwood as we have deemed necessary or appropriate for the purposes of this opinion; and

e) made such other legal and factual investigations as we have deemed necessary or appropriate for the purposes of this opinion.

Based upon the foregoing and subject to the further qualifications set forth at the end of our opinion, we are of the opinion that:

(1) The Company and Wildwood are each a corporation duly organized, validly existing and in good standing under the laws of the Commonwealth of Massachusetts.

(2) The Company and Wildwood each have the corporate power and authority to enter into and perform the Agreement. The execution, delivery and performance of the Agreement have been duly authorized by all requisite corporate action. The Agreement has been duly executed and delivered by the Company, Wildwood and the Rileys.

(3) The Agreement is the legal, valid and binding obligation of the Company, Wildwood and the Rileys and the Inventory Note is the legal, valid and binding obligation of the Company, and they are enforceable against the Company, Wildwood and the Rileys in accordance with their terms. The Stock Pledge Agreement is the legal, valid and binding obligation of John J. Riley, Jr. and is enforceable against John J. Riley, Jr. in accordance with its terms.

(4) The execution and delivery of (a) the Agreement and the performance by the Company and Wildwood of its terms and (b) the Inventory Note and the performance by the Company of its terms, do not conflict with or result in a violation of the Articles of Organization or By-Laws of the Company or Wildwood, or of any agreement, instrument, order, writ, judgment or decree known to us to which the Company or Wildwood is a party or is subject.

The opinion expressed in subpart (4) above is based solely upon matters of which we have (i) actual knowledge or (ii) knowledge which should have been derived from an examination of the dockets of the superior courts of Suffolk and Middlesex County, Massachusetts

NUTTER, McCLENNEN & FISH

Beatrice Foods Co.
January 6, 1983
Page Three.

and the United States District Court for the District of Massachusetts, as of the close of business on January 4, 1983. As to clause (ii) of the preceding sentence, we express no opinion relating to matters to which notice may have been obtained after the date the aforesaid dockets were examined.

Our opinion is qualified to the extent that the validity or enforceability of any of the provisions of the documents delivered in connection with the Agreement or any rights granted to you thereby, may be subject to and affected by applicable bankruptcy, insolvency, reorganization, moratorium or similar laws affecting the rights of creditors generally.

Furthermore, because the availability of equitable remedies, including specific performance and injunctive relief, is subject to the discretion of the court before which any proceeding therefor may be brought, no opinion is expressed as to such remedies.

For purposes of this opinion, we are assuming that you have all requisite power and authority and have taken all necessary action to enter into and effect the transactions contemplated by the Agreement.

Very truly yours,

NUTTER, McCLENNEN & FISH

By

DRAFT

A Partner

DCC/MAM/CDY/lpg

EXHIBIT M

Purchase Price Computation
(Based on Good Faith Estimates
as of
December 31, 1982)

1. Real Property	\$199,972
2. Business Assets:	
Machinery and Equipment	\$278,971
Liquid Assets	+ 37,000
Other Assets	<u>1</u>
	\$315,972
Payables	<u>- 86,444</u>
	\$229,528
3. Inventory Note	\$430,000

Breakdown on Payables:

Trade Payables	\$62,522
Vacations	23,472
Union Dues	0
Bond	0
Contributions	<u>450</u>
Total	<u><u>\$86,444</u></u>

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WASHINGTON, D. C. 20006
(202) 296-3800

RE: John J. Riley Company, Inc. Closing

Pursuant to Section 3.09 of the Asset Purchase Agreement effective as of January 1, 1983 by and among Beatrice Foods Co., John J. Riley Company, Inc., Wildwood Conservation Corporation, John J. Riley, Jr. and Diana W. Riley, Beatrice Foods Co. is responsible for paying all stamp taxes arising at out of the transfer to the John J. Riley Company, Inc. of the Real Property.

John J. Riley, Jr. has paid \$453.72 for that purpose and accordingly Beatrice Foods Co. should reimburse John J. Riley, Jr. \$453.72.